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CONCILIATION BOARD REPORTS

together with

CLRB REASONS FOR JUDGMENT

No 1, 1970

Conciliation Board Reports in disputes between:

Canadian National Hotels Limited, Saskatoon, and Canadian Brotherhood of Railway, Transport and General Workers

Canadian National Hotels Limited, Winnipeg, and Canadian Brotherhood of Railway, Transport and General Workers

Reasons for Judgment in applications affecting:

International Longshoremen's and Warehousemen's Union, Ship and Dock Foremen (Applicant) and Western Stevedoring Company Limited (Respondent) and Empire Stevedoring Company Ltd. (Respondent)

Overseas Communications Union and Canadian Overseas Telecommunications Corporation (Respondent) and T.R. Leslie et al (Intervener) and H.H. LeQuesne (Intervener)

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CANADA DEPARTMENT OF LABOUR

Hon. Bryce Mackasey, Minister

J.D. Love, Deputy Minister

Report of Board of Conciliation and Investigation established to deal with dispute between

Canadian National Hotels Limited (Bessborough Hotel), Saskatoon

and

Canadian Brotherhood or Railway, Transport and General Workers

The Board was under the chairmanship of Judge Joseph J. Flynn. He was appointed by the Minister of Labour on the joint recommendation of the other members of the board, R.E. Sedgewich, the union appointee, and Robert H. McKercher, Q.C., the company appointee. The report consists of the chairman's report and specific comments by Mr. Sedgewich. Mr. McKercher concurred with the report of the chirman while reserving his right to comment and was consulted by Mr. Sedgewich on the points the latter presented in his comments.

The chairman has broken his report into five parts, as follows:

Part I Length of Contract

Part II Understanding between the parties, letter of understanding and changes in the wording of the contract.

Part III Health and Welfare Benefits

Part IV Salary adjustments

Part V General salary changes

Part II

Understanding between the Parties, letter of understanding and changes in wording of the contract.

A. During the course of the Board hearing the parties indicated to the Board that they were in substantial agreement with respect to the utilization of part time and regular employees and casual employees relating to matters of banquets and special functions. It appears to the Board that such arrangements as have been discussed between the parties ought to be pursued at the local level in that it appears to the Board that further discussions with respect to this matter between the parties at the local level will in all likelihood settle the matter and for this reason the Board is not making any recommendation with respect to changes in the contract affecting casual help, part time help or uncommitted gratuities.

B. The Company have indicated they are prepared to give a letter of understanding to the Union that will supply to the Union a statement of all persons working on scheduled positions, (excluding casual help as defined by 5(a) of the agreement) showing his hours of work, his position, and if any area of dispute arises the local chairman may ask for detailed records of the same. The foregoing statement to be provided with every statement of dues paid by part time help. Your chairman recommends the supplying of such a letter of understanding.

C. Deletion of Article 4.16 in the present agreement and substituting therefore the following:

> '4.16 – within any particular classification within a department, preference shall be given in accordance with seniority as to the allocation of days off, shifts, holidays and the like, subject to the employee exercising seniority having the required qualifications.'

It is to be noted that this particular Article changes the Article as amended by memorandum of agreement dated the 28th day of June, 1968 and by including the words 'within a department'.

Mr. Sedgewich added the following comment: "Further to discussion with Mr. McKercher, and with the understanding that the following would be agreeable to Mr. McKercher, I concur with the additional proviso: 'That the two parties attempt to resolve the outstanding differences on the matters of gratuity and casual help, through direct negotiation' Item 14 (c) should read 4.16. With this change, I concur."

Part III

Health and Welfare Benefits

(a) Vacations. Two weeks vacation after one year service. Three weeks vacation after ten years service. Four weeks vacation after 18 years service.

(b) Bereavement leave. Add "parents in law" to the present clause.

(c) Monthly dues. Deduction of dues shall commence on the payroll on the day period which contains the 24th day of the calendar month after the date of the first service in a position, subject to the collective agreement between the parties.

(d) Seniority. Seniority to be on a plant wide basis.

(e) Bulletining of positions. The following information, if available after date of posting, to be added to the bulletin: (1) assigned days off, (2) hours of work.

(f) General holidays. One additional holiday to be granted, that holiday being the first Monday in August.

Mr. Sedgewich concurs with (a), (b), (c), (d), (e), and (f), providing the following is added: "In addition, the company should pay the full share of the existing Health and Welfare Plan. This is a cost of $3.34 per regular employee." He also stated the following clause be added and that MacKercher agreed to this: "All matters agreed to during negotiation and conciliation proceedings to become part of a new collective bargaining agreement."

Part IV

A five-cent per hour salary adjustment to the salaries of all employees employed under the following classifications: Chef de Partie, tapman, bar tender, room clerk, night clerk, and all classifications under the maintenance department.

Mr. McKercher concurs subject to comment. Mr. Sedgewich stated he would concur if the effective date of this adjustment were the same as the effective date of the contract.

Part V

General Salary Changes

It is recommended that there be an increase to the wage of all employees as follows:

Effective August 1, 1969 an eight-cent per hour increase
Effective August 1, 1970 an eight-cent per hour increase

Mr. Sedgewich made this comment: "If you do not agree to include in Part III, that the company pay the entire cost of the Health and Welfare plan ($3.34), then I would concur with the General Salary changes providing this were to read 10 cents where it now reads 8. If you would include in Item III the cost of the Health and Welfare Plan, I would concur with the wage recommendation of 8 cents, for the purpose of arriving at a majority and, hopefully, an unanimous report of the Board."

General Comments

It is the opinion of the chairman that the parties should endeavour to agree on an effective date for the commencement of salary adjustments, to be determined by the date when the company fell behind its competitors in these classifications. Failing agreement, however, I would suggest that the date be fixed midway between August 1, 1969 and the signing of the new contract.

Should your chairman unwittingly have omitted any item upon which the parties are in agreement, I would expect that such items be included in the new agreement.

Your chairman feels compelled to observe in his report that he was motivated in making this report primarily by the financial condi-

tion as it exists in the particular hotel, the financial condition that exist in Saskatoon area, the salary paid by hotel competitors in the immediate area and the general state of the economy in the province where this hotel is situated.

I make these observations because I do not feel that the contents of the report should be taken as a indication of what might be equitable under other circumstances.

Moose Jaw, Sask. Dec. 10, 1969

(Sgd.) Joseph J. Flynn,
Chairman

Report of Board of Conciliation and Investigation established to deal with dispute between:

Canadian National Hotels Limited (Fort Garry Hotel, Winnipeg

and

Canadian Brotherhood of Railway Transport and General Workers

The Board was under the chairmanship of Frank D. Allen of Winnipeg who was appointed by the Minister of Labour in the absence of any recommendation from the other members of the board. William Kennedy Winnipeg, was appointed to the board on the nomination of the union and R.H. McKercher of Saskatoon was the company representative. The report consists of the report of the Chairman and separate reports of Messrs. Kennedy and McKercher in which each noted his points of assent or dissent with the Chairman's report. The reports were received by the Minister in January.

Meetings of the Board with each of the parties took place in the Fort Garry Hotel, Winnipeg, Manitoba on December 18 and 19, 1969.

Pursuant to the provisions of Article 21.2 of a collective agreement between the parties dated March 28, 1968 and effective from August 1, 1967 until July 31, 1969 and thereafter subject to 60 days notice in writing by either party of its desire to revise, amend or terminate it, such notice to be given any time subsequent to June 1, 1969 the union requested 17 amendments and the employer, three amendments. Each of these items will be considered hereafter. However, a general word of comment on the whole of the proceedings seems to be in order.

The first day of proceedings consisted of meetings at which all members of the Board and all representatives of both parties were present and at which the parties expanded and commented on their briefs and responded to questions and comments from the Board. By agreement the second day was mainly meetings held with each party, apart from the other, with the chairman and that party's appointee to the Board.

From the initial discussions it appeared that the union's position on all but certain specific items that it abandoned was not negotiable. The employer's position was that while certain requests of the union might be "considered" it viewed all of the union's requests as being items that involved cost and before it would be prepared to make any concessions it would have to have a definite indication of the wage increases it may have to face. The employer further took the position that at the commencement of negotiations the union representative had indicated that, if the employer would make an offer with respect to wages, the union was prepared to negotiate. When the employer had made such an offer, the union refused to budge on its wage demands and therefore the employer was not prepared to further negotiate wages until the union has made what the employer considered a "substantial" reduction in its demands.

Subsequently, the union did make a reduction in its wage demands but not to an extend considered "substantial" by the employer and no further offer was made by the employer.

It would be mere conjecture to suggest that settlement of this dispute would have been achieved had the employer made a counter offer to the reduced wage demands of the union. However, the employer's steadfast refusal to do so frustrated any further effort of the Board to bring about agreement.

The Board, however, does agree that many of the items requested by the union are matters of cost to the employer and this has been borne in mind of the recommendation that follows.

Points in Issue

Requests by Union

Item 1: A request to amend article 2.10 of the collective agreement by adding thereto "the number of part-time and extra employees will at no time be greater than 10 per cent of the full time staff". This request was abandoned by the union.

Item 2: A request to amend Article 6.5 by deleting the words "seventy five (75c)" and inserting the words "one dollar and twenty five cents ($1.25)"

The effect of this request, if granted would be to pay to those employees required to work a split shift in any day additional compensation of 50c per day.

The union in its brief, took the position that the money provided to be paid by Article 6.5 was to compensate employees for time and expense travelling to and from work and that the increase was required because of the increased cost of transportation. During negotiations, the union representative stated that the clause had been inserted in an effort to induce the employer to limit the number of split shifts imposed upon employees, a statement that supports the contention of the employer that the payment is but a penalty, not applicable to its business.

If the said payment is to compensate an employee for both time and transportation, it is sadly lacking and it cannot be accepted that this was its original purpose. If it is to compensate for additional expense in travelling to and from work, (which makes more sense,) then in Winnipeg it is still adequate. If it is indeed intended to penalize the employer then it is not appropriate to the hotel industry in which, with respect to at least some aspects of its business, split shifts are necessary.

The recommendation of the majority of the Board is that this request of the union not be granted. Mr. Kennedy, the union's appointee, dissents on this point and his reasons and recommendations are enclosed.

Item 3: A new clause to be designated Article 6.12 be added to read "All employees covered by this Agreement required to perform compensated service between the hours of 6 p.m. to 6 a.m. to receive a shift differential of ten cents (10¢) per hour".

During the proceedings before the Board, the union indicated that if other of its demands were satisfied it would abandon this request. However, for the purpose of the Board the demand still exists.

The sole basis of the union's request in this instance appears to be that such shift differential pay is given in other industries and it

cited statistics in support of this contention. These statistics indicated that while such payment was by no means paid by a majority of employers it is nevertheless not uncommon. However like all statistics, they are of little value unless one knows if they are applicable to the situation under consideration.

The Employer says that a shift differential premium is not paid in the hotel industry so far as it knows, and, of course, points out that the nature of the business requires 24-hour service and in effect, is a term of employment.

On the whole of the submissions the position taken by the employer seems the more acceptable.

The recommendation of the Board is that this request of the union not be granted.

Item 4: A request that Article 7 be amended to read "double time" wherever the words "time and one half" appear.

Item 7: A request that Article 11.4 be amended to read "2 days off".

Item 8: A request that Article 11.5 be amended to read "twice his hourly rate".

Each of these requests were abandoned by the union.

Item 5: A request that Article 11.1 be amended by adding two further holidays i.e. the first Monday in August and Remembrance Day.

The union's basis for this demand is that the granting of 10 or more "statutory" holidays is now common in Manitoba and particularly in hospitals. It compares the services performed by many of its members to that performed by hospital employees.

The employer compares the benefits given its employees with those given to employers in other hotels in Canada.

Although other considerations may enter into any particular point of contention, it would generally be more practical to attempt to equate the employees of the Hotel Fort Garry with other hotels and so far as possible with hotels in the Metropolitan Area of Winnipeg in which the employer must compete both for business and staff. However, if the hotel were not owned by a Crown Corporation, it would be required, as are all other hotels in Manitoba, to grant Remembrance Day to its employees and, on the premise above stated, should do so.

The recommendation of the majority of the Board is that Article 11.1 of the collective agreement be amended by adding one additional holiday to be either Remembrance Day or the first Monday in August in each year as the employer and employees may agree. On this point it would appear that there is really no dispute between the company appointee and the chairman and the union appointee. However, at the time that Mr. McKercher wrote his individual reasons which are enclosed herewith, he was working from a draft report of the Chairman, who at that time had provided for only Remembrance Day.

Item 6: A request that Article 11.3 be amended by adding after the word "house", the words "plus meals and lodging allowance".

Item 10: A request that Article 12.7 be amended by adding after the work "period", the words "including meal and lodging allowance".

The effects of these two requests, if granted, would be that an employee who regularly receives meals and lodging in lieu of wages would receive the value thereof while on vacation or on a statutory holiday when he did not work.

The union abandoned this request so far as it pertains to lodging and the employer, while not clearly expressing agreement to the balance of the request, did not express a firm opposition to it and indicated that it was prepared to concede if agreement was reached on all other items of dispute.

The equity of this request is too obvious to deny it or to comment on it further.

The recommendation of this Board is that Article 11.3 of the Collective Agreement be amended by adding at the end thereof the following: "In addition such employee shall receive an allowance in lieu of meals where pursuant to the terms of his employment he normally would receive meals in lieu of wages, such allowance to be calculated by multiplying the number of working hours he is off duty by the value of meals as set forth in Schedule 'A', and that Article 12.7 be amended by making an identical addition at the end thereof."

Item 9: A request to amend Article 12.2 to read 10 years instead of 12 and Article 12.3 to read 18 years instead of 22.

The effect of this request, if granted, would provide the employee 15 working days (or three weeks) vacation after 10 years and 20 working days (or four weeks) vacation after 18 years of service. Presumably to be effective, the figures 3,000 and 5,500 where they appear in Articles 12.2 and 12.3 respectively would also have to be changed to 2,500 and 4,500.

As has been noted previously the comparison adopted by the union with municipal employees engaged in hospitals in the Winnipeg area is not necessarily a good guide to what benefits the members of the union should or should not have. Similarly those benefits enjoyed by other employees of the same employer but in unrelated work are not necessarily a good guide and different considerations may apply.

The employer has taken the position that it is not behind the hotel industry generally in this regard, and quotes what we must assume as national figures to support this contention. It is unfortunate that local statistics are not available but this is not surprising as the Fort Garry Hotel is the only unionized hotel in Winnipeg and was considered by both parties, when compared with other hotels, to be in a class by itself.

Bearing in mind that there is a general trend in all industries to give longer vacations to employees with a number of years of service, we are of the view that the present provisions are not out of line.

It will be noted in the individual reports by Mr. Kennedy and Mr. McKercher, that Mr. Kennedy would have granted this request of the union without qualification. Mr. McKercher would have granted this request of the union but would have taken this into consideration in reducing the increase in wages. The Chairman, bearing in mind the company's position that all items requested by the union cost money, would have denied this request by the union and bearing in mind the increased cost of living factors in the Winnipeg area, would have been inclined to give a larger pay increase than that recommended by Mr. McKercher. In view of the persuasive submissions of the employees and employer and particular by the calculations set forth in Mr. Kennedy's report, the Chairman is inclined to recommend that this request of the union be granted so that on this point there is unanimity subject to Mr. McKercher's qualifications in which the Chairman and Mr. Kennedy do not concur.

Item 11: A request that a new clause to be designated 12.16 be added to provide that employees starting vacations will receive earned wages on the last working day prior to start of vacation.

It is the Board's understanding that employees at all times have a back log of two weeks earned wages and that employees of the hotel are paid 26 times each year at two-week intervals on Thursdays so that, for example, the wages earned by an employee in the first two weeks of December 1969, would not be paid them until December 25, 1969, by which time, he has earned a further two weeks wages which he will not receive until January 9, 1970. Should an employee wish to commence his vacation, say on December 20, he would not receive his pay or vacation pay until he returned from vacation although he had in fact earned it, unless he returned to his place of employment during vacation or arranged to have the cheque sent to him, neither of which may be convenient or practicable.

What the union requests is eminently facts. If the employer were governed by the laws of this Province it would be in breach of those laws. However, the employer says it cannot comply because of the highly computerized system by which it pays all employees in its vast business structure. Various ways of overcoming this difficulty without offending the sensitivities of the computer or those who operate it were explored and Mr. Murray acknowledged that it could be accomplished by paying advances out of the cash funds available to the hotel but this too was not possible because of company policy. It seems to the Board that company policy or the computer can and should be changed.

The recommendation of this Board is that this request of the union be granted, the parties to work out such wording as they desire or, if they cannot, to apply to the Chairman to do so for them. You are asked to consider Mr. McKercher's suggestions in this regard which, in the opinion of the majority, really have nothing to do with the granting of the union's request but merely with the mechanics of how it will be worked out.

Item 12: A request to amend Article 19 to provide that the employer pay the full cost of the basic benefit plan for participating employees. The union attempts to support this request on the grounds that such provisions are becoming more and more prevalent in collective agreements and that the employer has already extended this benefit to other of its employees in different divisions of its operation. We have already commented on this type of argument, particularly where it does not relate to the same industry. However, in this instance more weight must be given to the submission because those employees to whom the employer has already extended this benefit are also parties (through their union) to the agreement by which the benefits sought to be paid for are bestowed.

The employer pointed out that its present contribution of 50 per cent is very generous by hotel industry standards and that the employment benefit ratio to sales already exceeds that recommended by consulting firms.

What we do not know is whether the figures used by the Company take into consideration the savings to the company effected by recent medicare legislation in this Province. If the employer were subject to the laws of Manitoba such savings would have to be passed on to the employee. We do know from the statement made by Mr. Turner in reply to a question by Mr. Matthew, that the estimated annual cost of $10,500 for this request does not take this saving into consideration.

On balance, because of the contribution of the employer to other employees of the whole of the benefit cost and the saving effected by the Company as a result of Manitoba legislation, the request is reasonable.

The recommendation of this Board is that the request of the union providing that the employer pay the full cost of the basic benefit plan for participating employees be granted.

Item 13: A request to amend Article 20.9 as follows: "Providing that bereavement leave be given after six months employment rather than one year; provide for such leave to be given in the event of the death of a mother-in-law or father-in-law as well as those already specified; and that such leave not be limited to one such leave each year."

The employer did not take a strong position against these requests other than to point out that bereavement leave is not standard in the hotel industry.

The union bases its request on the fact that other non-operating employees of the employer enjoy this benefit.

To begin with, the Board is of the view that the present provisions of the agreement do not limit the number of leaves in one year and sees no need to make any recommendation in this regard.

The principle of bereavement leave having been accepted by the employer it seems only natural that parents-in-law be included.

Why a seniority of one year was chosen as a prerequisite to being granted bereavement leave with pay is not known but it would seem reasonable that such time limitations or prerequisites should relate to other provisions of the agreement and it would seem proper to reduce the time element to coincide with the provisions of Article 9.1

The recommendation of this Board therefore, is that this request of the Union be granted to the extent that Article 20.9 be amended as follows:

(a) by inserting between the words "an" and "employee" the words "full-time," and

(b) by deleting the words "one year's seniority" and substituting "sixty-one days or more", and

(c) by adding at the end thereof the words "mother-in-law and father-in-law".

Item 14a: A request to amend Schedule 'A' by increasing all rates by 50c per hour.

This request by the union was the basic issue between the parties and had agreement been reached in this regard, it is probable all other matters would have been resolved.

The employer had offered an increase of 4c and 4c across-the-board over a two-year period.

A fair summary, we believe, of the union's position is that (a) the increase requested is necessary to enable its members to maintain a reasonable standard of living and (b) the salary increases are necessary to bring its wages into line with employees in the Metropolitan Winnipeg area, such as hospital employees, but the union rejects the idea that it should be compared with other hotels in Winnipeg.

The employer on the other hand points out that it, on the average, meets the highest wages paid in the Winnipeg area to hotel employees and asked the Board to bear in mind that it is in a competitive business and that the competition will sharply increase in the year 1970 with the construction of large, new hotels, some of which have begun and some of which are planned. These facts are important and have been borne in mind in reaching the conclusions hereafter expressed. The employer's profit picture has been good and, considering certain peculiarities of the employer's accounting system explored during the hearing, probably better than was indicated by the figures produced in its brief.

Much was said about the current cost of living and the increase in the cost-of-living index. Realizing the frailties of such statistics they are nevertheless a guide that cannot be ignored.

While the employer presently competes favourably in the hotel industry so far as the payment of wages are concerned this does not mean that its employees are not deserving of a wage increase.

While the cost of living in Canada has been rising the cost of living in Winnipeg, in the last few months, has been increasing at a rate faster than in the rest of the country. Any increase given must take into consideration the cost of living increase, the additional tax any wage increase will attract, and anu fringe benefits enjoyed by the employees at the expense of the employer, such as the payment of the benefit plan, already recommended by the Board.

Taking all these factors into consideration and bearing in mind that it would appear that the cost of fringe benefits would not appear to be as high as that suggested by the employer, it is the Chairman's recommendation that Schedule 'A' of the Agreement be amended effective August 1 1969, by adding to all the rates for classification set forth therein, an amount equal to 7 per cent of the wages rate shown under the column headed August 1, 1969 and, effective August 1, 1970, adding to the rates for classification as established on August 1, 1969 an amount equal to 6 per cent.

In the event that such increase shall produce fractional cents per hour, the hourly wage shall be increased or decreased to the nearest cent. It will be noted that both Mr. McKercher and Mr. Kennedy are not in agreement with this recommendation and you are referred to their individual reports.

Item 14b: A request that, in addition to the general wage increase sought by the union, there be additional hourly increases with respect to certain classifications of employees.

It was not possible to consider this request in depth without the general wage increase being settled. However, the union requested specific increases with respect to certain classification for the following reasons:

(a) Some employees have what the union considered to be increased responsibilities for which they were not, and for which a general increase would not, properly compensate them:

(b) Some employees in particular classifications were being paid substantially less than the standard rates for persons of the same trade or skill employed in other industries or institutions;

(c) The employer had wrongfully interfered with the distribution of gratuities paid to waiters in the dining-room known as The Factor's Table, thereby reducing the income of such waiters and other personnel and the employer intended to interfere with the distribution of gratuities in other departments of the hotel.

The employer indicated that it was prepared to consider adjustment of wages for particular classifications in certain instances where, because of demands in the labour market, qualified personnel were scarce but also indicated that the adjustment would be minor compared to those requested by the union.

It is felt that without knowing the amount of any overall wage increase that may be granted and without making an in-depth study of each classification it is not now possible to make a meaningful recommendation in this regard. However, the employer's difficulties in this regard could be adequately dealt with by referring to Article 10.5 of the collective agreement.

In discussions with the members of the Board in an effort to make some meaningful recommendation in this regard, the Chairman indicated that he concurred with Mr. McKercher's recommendation that it was desirable that the Railway know what they were facing in this regard. However, on further reflection I am satisfied that to fix a maximum or a minimum without more knowledge that was given to the Board at the hearing would work a hardship one way or the other. For this reason the Chairman concurs with the recommendations contained in Mr. Kennedy's report, namely that a committee of both parties meet and arrive at an equitable solution prior to the signing of a collective agreement for inclusion therein.

Item 15: Amend Article 21.2 to allow for a two-year agreement.

Both parties seemed content with an agreement of two years duration although the union indicated it would prefer one year and the employer indicated it would prefer three years.

The recommendation of this Board is that in any agreement now or hereafter executed clause 21.2 be amended by deleting "1967" where it appears and substituting "1969" and by deleting "1969" where it appears and substituting "1971". It would be the intent however, that any benefits to be gained by the union, except with respect to wages be effective only from the date of the execution of the agreement.

Item 16: A request that wherever the words "General Chairman" appear in the collective agreement, they be deleted and the words "Regional Vice-President" be substituted.

This request was not opposed and the recommendation of this board is that the request be granted.

Item 17: A request by the union to amend Article 3.12 of the collective agreement to allow for part-time employees to pay full dues regardless of hours worked.

The position of the union was that under the present provisions of the agreement, part-time employees who were not union members could in fact pay more than the dues paid by a member of the union and because such employee was not a member of the union the constitution of the union prevented a refund being made. Thus an injustice occurred.

If this were the genuine concern of the union then it seems the injustice could be easily remedied. The union could amend its constitution as easily as the employer could amend its policy on the subject of paying wages in advance of vacation. The union could agree to a formula whereby a non-union part-time employee would never pay more than a union member. However, when pressed, the union representative admitted that the real intent of this request was to obtain members for the union.

The employer resisted this request, pointing out that it could mean that a part-time employee would have a substantial part of his wages deducted from one pay, thus working a hardship.

The real desire of the union being to induce membership, it seems that the best inducement in the world would be to point out to such non-union part-time employees the financial savings they would effect by joining the union and as there is nothing to stop the union from approaching such employees the request seems certainly without merit.

The recommendation of the majority of the Board is that this request be rejected. You are asked to note the dissent of Mr. Kennedy in this regard.

Requests by Employer

Item 1: A request to delete Article 4.16 and insert the following: "Within any particular classification within a department preference should be given in accordance with seniority as to allocation of days off, shifts, holidays, vacation and the like, subject to the employee exercising seniority having the required qualifications".

The only difference between this provision and Article 4.16 is the addition of the words "within a department". We were told, and it was not denied, that the change would merely codify existing procedure and, while we were not specifically so told, it is apparent that it has not been the cause of any grievance. This being the case it is difficult to understand the union's resistance to the change. The union eventually conceded that it would be amenable to the change if limited to holidays and vacations. However, it cannot be seen how anything more than inconvenience can occur and this rarely.

The recommendation of the majority of this Board is that this request be granted. You are asked to note Mr. Kennedy's dissent.

Item 2: A request that a new article be added providing that the wage scale outlined in Schedule 'A' be regarded as a minimum and not prevent the company from paying a higher rate to any one or more employees if it so desired.

Item 3: A request that those employees in Schedule 'A' Group A, Section I be transferred to Schedule B.

These two requests are dealt with together as it seems that the reasons for them are similar.

The requests were adamantly opposed by the union. It is natural that the union would not wish to lose any personnel from the bargaining unit and the union expressed a fear that if management could select certain employees to be paid at a rate higher than other employees of the same classification, it could lead to resentment. A further fear of the union particularly with respect to Item 2 is that it is but an attempt to oust the union, in time, altogether. While these objections may not be without merit in many instances, we do not feet they are well founded in this instance and this will be dealt with later.

The company gives rather compelling reasons for its requests. It points out that quite often within the same classification there are employees who are somewhat more efficient than others, persons whom, if a competitor (and there will be stiff competition in Winnipeg within the next year) wished personnel of that classification, he would seek out and induce with higher wages to leave the company. The company wishes to compete for the services of such individuals. The union responds by saying that this problem can be met by increasing the wage rate of the whole classification. However, there may be some employees who are not deserving of a higher wage. All employees doing the same work are not necessarily equally competent and to argue that they are is facetious.

A further submission by the company in that in the majority of instances its hotel executive staff are developed from among those employees who work at the front desk or in the administration end of the business such as room clerks and that these people often perform management duties in the absence of the manager or assistant manager such as at night. Naturally it is this staff, or the more promising members of such staff, that the company wishes to protect.

It should be pointed out that the company states, and again without contradiction, that what it seeks is standard in the hotel industry even where the staff is unionized.

There are presently under construction in Winnipeg two large hotels, one at least of which will be most competitive with the Fort Garry Hotel and it would seem probable that with the number of large sized hotels being erected or to be erected in Winnipeg, unionization will follow. It seems that to handicap this hotel in its competition for business as well as for competent staff, would be harmful not only to the Hotel but also, in the long run, to its employees.

Various compromises, devised to permit management more scope with respect to increasing the salary of at least some employees, were suggested but all adamantly opposed by the union.

As noted above the union advanced objections which normally might have some merit but which in this case we do not feel deserve much weight. These objections were:

That they did not wish to lose any members of the bargaining unit. The fact is that having regard to the number of employees involved and the size of the bargaining unit such loss would be insignificant. The company states, and the union does not challenge, that the employees involved perform management duties. If this is the case then one doubts if they should have been included in the bargaining unit in the first place. The company feels that an application by it to have these employees (i.e. front office – staff) removed from the bargaining unit would not be successful. However, if what we are told is correct, then we would think that a very strong case could be made out to remove them, particularly if the employees themselves wished it.

The union further says that if management were permitted to increase the rate paid to any one or more employees in excess of that required to be paid to all employees of the same classification it could lead to resentment amongst the other employees, and that certain employees may be singled out for "white-haired boy" treatment regardless of his capabilities. That this could occur cannot be denied. However, in our view it is unlikely that this would be prevalent in an organization as large as the Canadian National Railway with the number of checks and counter-checks that are imposed on each employee including management. Further if resentment were to occur this is something that would be harmful to management and a chance it would have to take.

Lastly, the union suggests that these requests by the company are but initial steps to eventual ousting of the union entirely. We can ascribe no such motives to the company but even if this were so, it must be borne in mind that the company is a wholly owned Crown Corporation and we cannot conceive of Parliament permitting such tactics and were it to do so, public opinion would not tolerate such tactics.

On balance it seems that the reasons for the company's requests are reasonable and therefore the request themselves are reasonable. However, Mr. Turner conceded that if Item 2 were granted, Item 3 would not be necessary, therefore and in deference to the union's strong objections, a compromise is indicated.

The recommendation of the majority of this Board is the company's request, described as Item 2, be granted and the company's request, described as Item 3, be rejected. Mr. Kennedy's dissent should again be noted and it should further be noted that Mr. McKercher has suggested the manner in which the majority's recommendation may be implemented.

Dated at Winnipeg, Jan. 14, 1970

Chairman

(Sgd.) Frank D. Allen,
Chairman

Comments of Mr. McKercher

The writer agrees with the recommendations of the Chairman as contained in the report prepared by the Chairman save with respect to the following:

(1) Re. Union demands, Items 6 and 10. I suggest the union request be granted in the terms asked for (except lodging), rather than the Board attempting to work out a proposed detailed amendment, i.e., the words "plus meals allowance" should be added to Article 11.3 and Article 12.7.

(2) Re. union demand 11. I agree with the Chairman's recommendation. However, bearing in mind the apparent difficulties posed by a master accounting system (and pay system) for the whole CN Hotel and Railway system, I suggest the matter be left to be worked out at a local level. It was my impression that this could be done. I suggest your report be revised so that the recommendation on this issue read as follows:

> "Various ways of overcoming this difficulty without offending the sensitivities of the computer or those who operate it, were explored. The Board recommends the parties consider the matter further and recommends that the hotel management work out an arrangement permitting this to be done."

This wording would not offend any policy considerations that might be involved if the Board in its report referred specifically to the handling of cash.

(3) Re. union demand 14(a), Wages

It is my suggestion that in addition to those fringe benefits that you recommend be granted to the union that the union request on the matter of vacations be also included in which event the total wage increases recommended by the Board be 7 per cent for the first year and 5 per cent for the second. I believe it is quite fair to say that the health and welfare benefits constituting 1.3 per cent and the other benefits including vacations, constituting approximately half of one per cent would therefor mean a total wage increase, including benefits, of 16.2 per cent. This, in my view, is a fait and reasonable increase over a two-year term, particularly in the light of economic circumstances existing today. It is open for the union to talk about the matter of the poverty level but one must bear in mind at the same time that the Economic Council of Canada also spoke of a permissable rate of wage increase per year as being 5 per cent. Therefore, when you read the total context of the Economic Council of Canada's Report, this recommendation would seem to me to be more than reasonable.

(4) Re. union demand 14(b), Wage adjustments.

The management submitted in the course of the hearings that the bulk of the "inequities" were resolved at the last session of bargaining between the parties two years ago. The union did not suggest that this was not so and indeed had obtained substantial cost increases on the wage scale from management's point of view. Under those circumstances, it would seem that the union's request on this score is misconceived I recommend that the pattern be followed as in other agreements, namely 5 cents per hour for the categories recommended in management's brief or totalling something in the neighbourhood of $2,000. I would suggest that this sum be recommend (or as high as $2,500) to be distributed between union and management as they may agree with respect to specific

categories. It may be that some adjustments ought to be more than 5 cents and on the other hand some less than 5 cents in the categories recommend in management's brief. I am certain that the parties can work out a fair distribution of this sum of money. In any event, I would think with respect to this type of a problem if they cannot, the parties can ask the Chairman to deal with the matter. I would be, however, very much surprised if the parties could not do so.

(5) Re. Company's request, Items 1 and 2.

I agree with your comments and your conclusions in your report. However, for the sake of clarity I would recommend that the proposed wording of new Article 10, which is the second item requested by the Company, be clarified by adding thereto the words "to individuals or classifications," so that new Article 10 would read as follows:

"Article 10 — Rates of Pay,

The wage scale outlined in Schedule (a) shall be regarded as a minimum and shall not prevent the Company from paying a higher rate if it so desires to individuals or classificationss."

I concur with the recommendations of the Chairman. I might say, however, as indicated above, that I do not share the Chairman's observations with respect to the introductory portion of the report. While I understand the comments on the matter of the employer's apparent refusal to make a counter offer, I gather that there was good reason for this position being taken by the hotel. Unless the union is prepared to make realistic wage demands and bargain from the commencement of negotiations on such demands, these matters will inevitably end up before a Board. Conciliation Boards are constantly doing no more than bargaining out issues that the parties ought to have resolved directly by themselves long before the matter got to the Board stage.

The economic indicators point to a reduction in the rate of annual wage increases. The proposed wage increase recommended in this report I submit reflects these circumstances.

Dated at Saskatoon, Jan. 12, 1970.

(Sgd.) Robert H. McKercher.

Comments of Mr. Kennedy

At and prior to meetings with a conciliation officer, the union had presented 17 items and the employer had presented three items. During meetings with the Conciliation Officer, the union amend its position as follows:

Item 1: On the basis of assurances given by the Company that the use of part-time employees would not be abused, the union dropped this proposal.

Item 4: The union withdrew this proposal of double time wherever it appeared in Article 7.

Item 6: The union withdrew that part of its proposal dealing with lodging allowance for statutory holidays.

Item 7: The union deleted its proposal of two days off with pay for employees who work on statutory holidays.

Item 8: Dealing with double time for work performed on statutory holidays, the union withdrew this proposal.

Item 10: The union withdrew that part of its proposal relating to lodging allowance for employees on vacation while maintaining its position on meal allowance.

The Company proposed a wage increase of 4 cents per hour in the first year of the agreement and 4 cents in the second year of the agreement and indicated that it would consider making changes in Bereavement Leave; Vacations; Basic Benefit Plan; Statutory Holidays; Some Classification Adjustments; Wages.

Coming then to the items which have to be dealt with by the Board, first of all I will deal with the items where I find that I can agree with the recommendations of the Chairman. I concur with the addition of one Statutory Holiday in Article 11; however I would recommend that the employees be given the choice between "Remembrance Day" or "Civic Holiday" (the first Monday in August). I concur also with the Chairman's recommendations on Items 6, 10, 11, 12, 13, 15 and 16.

In considering the following items, I find myself in disagreement with the Chairman and possibly with the Company nominee as well:

Item 2: Split Shifts: In this Item the union proposed that employees required to work split shifts should be paid $1.25 per shift instead of the present 75 cents per shift.

A split shift means that the employee will work part of his shift during a busy period. He will then leave his work for a certain number of hours then return to his work to complete his shift.

The union's position is that its request is justified because of increased transportation costs and the value to be placed on the employee's own time.

The Company points out that "the original basis for this demand was that the employee was forced to travel during the period between his split shift assignments. The Company considers the 75c per day is more than adequate compensation for what the employee may incur in additional transportation costs."

Members of the union negotiating committee, who work split shifts, advised that with a 3-hour break between work periods, very often because of transportation difficulties, it would mean that the employee would have no time for rest or perform chores at home, but would have to turn around almost immediately and proceed back to his job. This further means that in order to complete an 8-hour shift it would entail 12 or 13 hours of his time.

I can agree with the Chairman that "if the said payment is to compensate an employee for both time and transportation, it is sadly lacking." So long as split shifts are necessary, it seems to me that the union proposal is far too modest to take care of both time and transportation and can only be a stop gap that is still inadequate. I would recommend that the union proposal be granted.

Item 3: Shift Differentials: This is a request by the union that all employees covered by the agreement required to perform compensated services between the hours of 6:00 p.m. and 6:00 a.m. be paid a shift differential of ten cents per hour.

The Company opposes shift differentials because "shifts are a normal and necessary requirement of the service industry. Hotel employees accept employment with the full knowledge that these hours are a normal condition of employment. The effect of this demand would be to impose an unwarranted penalty upon the Company because of unavoidable working conditions. Conditions are known and understood by all seeking employment in the service industry" and "that Company studies of many hotel agreements across the country show that payment of a premium for employees working between the hours of 6:00 p m. to 6:00 a.m. is non-existent."

The facts are that only where these hours of work cannot be avoided "in any industry" does the question of shift differentials arise. I cannot accept the theory that because no one else in an industry is doing this, no one else should. By this kind of logic, man would still be content with the conditions which existed prior to the Stone Age.

I am aware and recognize that the union advised that it was prepared to drop this demand for the purpose of attempting to reach agreement on the other matters in dispute. I am prepared to

accept this, even though I feel that a good case was presented for its inclusion.

Item 9: Vacations: Both parties presented statistics to the Board attempting to justify their position on vacations. In addition, the union pointed out that its proposal would only bring the Fort Garry Hotel into line with what the Canadian National is already doing for the vast majority of its employees through collective agreements. In checking the cost of this provision, as estimated by the Company at page 37 of its brief, I believe that the figure is considerably over-estimated. I have availed myself of the seniority lists and it appears to me that in arriving at the cost figure, the Company has taken every employee who would have ten years or more and 18 years or more, and has multiplied this number by weekly wages to arrive at the cost figure of $5,350, ignoring the fact that the great bulk of the employees do already qualify for the third and fourth week of vacation under the present provisions. So instead of approximately 80 employees becoming new qualifiers, there would only be a total of 15 or less. If this is so, then the Company estimate would be about four fifths more than the actual amount necessary. I recommend that the union proposal be granted.

Item 14 (a): Wages: This item found the parties far apart and probably made it more difficult than any other item for the Board to effect an agreement. The union proposed 50 cents per hour across the board increase effective at the commencement of the Agreement. The Company proposed 4 cents per hour in both the first and second years of a two-year agreement. Before the Board, the Company did not see its way clear to move from its offer of 4 cents and 4 cents made to the Conciliation Officer.

The union was persuaded that in order to promote meaningful bargaining, it should revise its position of 50 cents per hour in the first year and it advised the Chairman and the union nominee of a substantial reduction of more than 50 per cent in the first year and a lesser amount in the second year. However this action did not result in any response from the Company.

Both parties had devoted more space in their briefs to this question than any other. The Board was not assisted to any great extent by the statistics when again an error showed that the Company's figures were out $153,000 in tables presented to show the operating expenses of the Hotel over a period of years. This made it difficult to accept at face value any of its figures presented. In any event, the items withdrawn by the union on cost items such as lodging allowance for vacations and statutory holidays; double time for work on holidays; double time for overtime work, and the indication to drop shift differentials if agreement could be reached, very substantially reduced the cost of the union's proposals. The possible error in the Company's calculation of vacations would further reduce the Company's estimate by some $4,000.

Taking into consideration all of the evidence and the fact that the full demands of the union, if met, would still leave many of the employees on the border line of the unacceptable standards as set out in the report of the Economic Council of Canada, I would recommend that effective August 1, 1969, all wages rates be increased by ten per cent, calculated to the nearest cent, and that effective August 1, 1970, the wage rates then in effect be increased by nine per cent, calculated to the nearest cent.

Item 14 (b): Classification Adjustments: Originally the union had requested upward adjustments for all but 3 classifications and had later deleted or reduced its proposal for some twenty or more classifications. The Company has indicated that it would be prepared to grant minor adjustments to five classifications.

I am of the opinion that the matter of classification adjustments was not discussed both pro and con at the Board to assist the Board in making meaningful and equitable recommendations to solve the problem.

I would recommend that a committee of both parties meet and arrive at an equitable solution prior to their signing a collective agreement for inclusion therein.

Item 17: Union Dues from Part-Time Employees: The Union proposal 17 is to "amend Article 3.12 to allow part-time employees to pay full dues regardless of the hours worked." The Company interpretation of this proposal is that "the intent of this demand is to force casual help into the collective agreement."

Further intensive study of the union's proposal, Article 3.12 and Schedule "B" of the Collective Agreement, lead me to the conclusion that the Company's fears are unfounded. The union is not requesting that casual help be removed from Schedule "B" and placed in an included category .

The union's request would mean that part-time employees employed on a regular basis at less than full-time hours, as defined in Article 2.1 (c) and Article 3.12, would have regular dues deducted instead of $1.25.

In view of the fact that the Company's fears that the intent of the union proposal would apply to casual help, are in my opinion, without foundation, I would grant the union proposal.

Item 1: The Company proposes that Article 4.16 be amended to provide that preference for days off, shifts, holidays, vacations and the like shall be given in accordance with seniority within a department rather than by classification. The union opposed this change but did indicate that it may be workable if applied only to holidays and vacations. I would so recommend.

Items 2 and 3: The Company requests that the wage rates in Schedule 'A' be regarded as minimum rates and that the classifications of Room Clerk, Room Clerk (Night Auditor) and Relief Room Clerk be transferred to Schedule "B" (excluded categories).

Both these items are matters which are dealt with in the Industrial Relations and Disputes Investigation Act. Section 10 of the Act provides that when a union is certified it has the exclusive authority to bargain collectively on behalf of employees in the bargaining unit. Even though both parties to a collective agreement mutually agree to exclude certain categories, it may be necessary to apply to the Labour Board to amend the certification. If one party disagrees, then if the other party feels strongly about the matter an application to the Board would be necessary.

Item 2 would, if agreed to, have the effect of turning the clock back to the situation prevalent prior to the enactment of the Industrial Disputes and Investigation Act when individual bargaining had to be the other of the day.

The Act also provides that any provision of a collective agreement, except the term of the agreement, may be amended if the parties so desire.

No doubt the union would be prepared to meet with the Company at its request to discuss and consider upward revision of wage rates for any individual or classification. I would recommend that such a provision be considered by the parties.

Dated at Winnipeg, Jan. 12, 1970

(Sgd.) William Kennedy,
Union Nominee

Reasons for Judgment in Application for Certification

affecting

International Longshoremen's and Warehousemen's Union
Ship and Dock Foremen (Applicant)

and

Western Stevedoring Company Limited (Respondent)

and

Empire Stevedoring Company Ltd. (Respondent)

The Board consisted of J.J. Quinlan, Q.C., Vice-Chairman and Acting Chairman, and E.P. Complin, J.A. D'Aoust, J. Guilbault, K. Hallsworth, J.A. Hills, Gerard Picard and R.C. Smith, Members.

The judgment of the Board was delivered by the Vice-Chairman and Acting Chairman.

Reasons for Judgment

The Applicant was formed early in 1963 and according to its Constitution and By-Laws it functions in all British Columbia ports and its membership is open to ship and dock foremen "in charge of all supervisory work done in the loading, discharging or servicing in, on or about ships — deepsea or coastwise — to or from scows, barges, railway cars, trucks, piers, docks, marine warehouses, or at any recognized anchorage in the Province of British Columbia".

In May 1964 the Applicant applied to be certified as bargaining agent for the foremen of two stevedoring companies, namely the Respondent, Western Stevedoring Company Limited (hereinafter referred to as "Western") and Louis Wolfe and Sons (Vancouver) Limited. Following a hearing the Board on August 20, 1964, in a majority judgment for which reasons were delivered, rejected the applications. The Applicant, however, continued to seek negotiations for an agreement without certification with the stevedoring companies through their Association in respect of foremen. The companies at all times, however, maintained the position that foremen were management personnel and should not be represented by a union for collective bargaining purposes and refused to negotiate. This conflict in approach put both parties on what has been described as a "collision course from which there was no deviation". The result was work stoppage on the British Columbia waterfront in the latter part of 1966 and on December 15 the Minister of Labour for Canada appointed the Honourable Mr. Justice C. Rhodes Smith (as he then was) of Manitoba as an Industrial Inquiry Commission to inquire into the causes of the stoppage of operations at British Columbia ports including the processing of grievances of the foreman and other incidental matters. Mr. Justice Smith's report and recommendations were submitted on March 23, 1967, and are hereinafter referred to as the "Smith Report".

In his opening statement Counsel for the Applicant referred to the Smith Report and stated that he proposed to quote from it during the hearing, submitting that some of the passages suggested quite strongly that the Commissioner, a former Chairman of this Board, considered the 1964 decision of the Board was in error and indicating it was possible that if another application were made for certification, the Board might find distinctions which would result in a different conclusion from that in 1964, noting that that decision was not unanimous.

In the first application the Applicant applies to be certified as bargaining agent for a unit of employees of the Respondent Western consisting of all foremen employed by the Respondent in British Columbia. The classifications of those covered by this description are head foreman, hatch foreman (sometimes referred to as stevedore foreman) and gear locker foreman (commonly referred to as locker foreman). As at the date of the application there were 48 men in the foreman classification of which 8-9 were head foremen, 38-39 were hatch foremen and one locker foreman who is responsible for the gear and is based on shore, the other classifications working on the ship. Head foremen and hatch foremen are normally interchangeable except for seven men who normally work exclusively as head foremen and at any one time approximately 50 per cent of the hatch foremen may be acting as head foremen. The Respondent is engaged in the stevedoring business of loading and discharging cargoes to and from deep-sea vessels. It operates through all ports in British Columbia, Vancouver being much the largest, and cargo handled is approximately 50 per cent lumber (mainly packaged lumber), 45 per cent general cargo (all kinds of products not coming under any specific designation) and 5 per cent bulk cargo (such as potash and sulphur) and grain.

In the second application the Applicant applies to be certified as bargaining agent for a unit of employees of the Respondent, Empire Stevedoring Company Ltd. (hereinafter referred to as Empire), consisting of all foremen employed by the Respondent in British Columbia. The classifications of those covered by this description are head foreman or charge foreman, hatch foreman, pier foremen, dock foreman, shed foreman, pool car foreman and bracing foreman. The Respondent does not have a foreman whose sole duty is what of locker foreman, others being used for this work. As at the date of the application there were 107 men in the foreman classification of which 88 were head and hatch foremen, two were pier foremen, nine were dock foremen, three were shed foremen, four were pool car foremen and one was bracing foreman. Evidence of a witness testifying one behalf of the Applicant was that head foremen and hatch foremen were sometimes interchangeable, while that of a witness called on behalf of the Respondent was that the Respondent attempts to train all foremen to the point where they can act as charge foremen and that a number of foremen had acted as charge foremen at some time.

The Respondent is engaged in ship work, loading and unloading vessels, dock work and terminal operations. In its stevedoring

operations it has offices at Vancouver, New Westminster, Victoria, Chemainus, Nanaimo, Port Alberni and Prince Rupert and operates in sub-ports within those areas. It also has licences to operate three National Harbours Board berths, known as Centennial Pier in Vancouver, owns Terminal Dock Limited with four berths in Vancouver and contracts to operate four other dock operations in Vancouver, Victoria and Prince Rupert. Because of the Respondent's ability to operate terminals, the General Manager stated that it also can offer its customers material handling services from stowage in the vessel to the inland carrier and vice versa. It handles all types of cargo moving in international commerce in volume to and from British Columbia ports except bulk cargoes such as potash and coal although it does handle grain.

In the case of each application the Respondents contested on the grounds that the foremen were not employees within the meaning of the Industrial Relations and Disputes Investigation Act because they exercised managerial and supervisory functions and, secondly, that the unit is not appropriate for collective bargaining, in effect on the basis that if the foremen were certified they would become members of a union whose present members they would be supervising and this was a serious matter involving a question of divided loyalties. The Respondent, Empire, also contested the appropriateness of the proposed unit on the ground that foremen on Vancouver Island and in Prince Rupert were each separate units from those in Vancouver. By far the greater part of the evidence and argument was directed to the first ground.

By agreement between the parties, both applications were proceeded with at the same time on the basis that the evidence in either application, where relevant, was available for the purposes of both applications. Both applications are considered and dealt with in these Reasons for Judgment.

Each of the Respondents is a member of the British Columbia Maritime Employers Association (hereinafter referred to as the Association) which is registered under the Societies Act of British Columbia and whose operations are chiefly carried on in the cities of Vancouver and New Westminster and in various other ports in the Province. It is an employers' organization whose membership includes coastwise and deepsea shipowners, operators and charterers, stevedore companies, wharf operators, all of whom directly employ or contract for labour. On its own behalf and on behalf of its members it negotiates with and enters into the collective agreement with the International Longshoremen's and Warehousemen's Union — Canadian Area (hereinafter referred to as the Union) which is recognized as the sole collective bargaining agent for all members of each of its locals.

The agreement between the Union on behalf of the longshoremen employed in handling cargo and the Association was entered into effective August 1, 1966 for a period of three years to July 31, 1969, with a provision that it remain in force thereafter from year to year unless either Party gives notice in writing to the other Party not less than 90 days prior to July 31, 1969, to terminate the Agreement or to negotiate a renewal thereof. As at the date of the hearing of evidence and argument in this matter, a new agreement had been negotiated between the parties and signed but had not yet been ratified, nor has it been ratified to date. As with prior agreements, the 1966-1969 Agreement in Clause 1.05 provided that it did "not apply to foremen, nor to supervisory, office or clerical personnel, or indentures apprentices employed by members of the Association". It was stated in evidence that this clause was contained in earlier agreements between the Shipping Federation of British Columbia (which preceded the Association) and the Union and it is also referred to in the earlier decision of this Board. The foremen, of course, were not in any sense party to negotiation of this agreement.

The handling of cargo to and from the dock and the ship's hold is described as stage 1 work and such an operation is carried on by both Western and Empire. It was stated in evidence that on an average day Western would be engaged in the loading or unloading of eight ships which would involve the hiring and employment of between 300 and 500 or 600 longshoremen while Empire would handle between twelve and fifteen ships. Longshoremen engaged in this aspect work in gangs, the number of gangs employed on a ship at any one time depending upon the number of hatches, type of cargo and availability of men. The basic gang is said to consist of eight men, namely a hatch tender, winch driver, two slingmen and four holdmen, two of whom are siderunners. The majority of the gangs, however, operate on a twelve-man system or less; for example, with packaged cargo it may be ten men and with grain it may comprise only two or three men. In addition, individuals may be called as extra men to work with existing gangs on the ship. All employees employed under the collective agreement are registered with the relevant port despatch office and orders for employees are placed through such office. In Vancouver the men are despatched directly through the medium of the Association despatcher and in all the other ports through the union despatch halls.

Longshoremen are paid on an hourly basis with additional increments for various skills in accordance with the collective agreement and, except in the few causes hereinafter referred to, are not permanent employees of the Respondent companies or of any other companies on the waterfront and on any given day may work for any employer on the waterfront. They have no minimum guaranteed regular wage but do have a non-contributory pension plus a mechanization and modernization program fund which provides a cash amount after 25 years service and a weekly sickness and accident indemnity.

Foremen, on the other hand, are permanent employees of a particular stevedoring company and invariably are selected by the Respondents from the ranks of the longshoremen. The qualities for which they are chosen as foremen were stated to be ability and leadership potential or ability to handle men. They are paid on an hourly basis at a higher rate than the longshoremen, are also paid for overtime and since 1968 have a minimum monthly guarantee of $750 per month. In other words, if, on the basis of work done, a foreman has earned $600 in a particular month, his employer will make up the difference of $150. Such situations arise out of lack of work assignments and a witness for one Respondent stated that his had cost his company $40,000 since its inception.

In the case of a non-occupational illness there is a weekly indemnity policy providing an income of $85 per week (after one week's illness) which under the guaranteed minimum the company makes up to $750 per month for a period of six months, following which, if still disabled, the foreman would come under the long-term income continuance plan which provides for a monthly income of $500 until he is retrained or reaches retirement. If the illness is an occupational one, the company makes up the difference between what is received under the Workmen's Compensation Act and the $750 monthly salary for a period of six months but the evidence did not disclose arrangements beyond this period.

The foregoing benefits are non-contributory. There is also a $25,000 group life insurance plan and a pension plan both of which are contributory, the latter not vesting in the foreman until he has completed ten years' service with the company. In addition, the foreman may receive a bonus at the end of the year depending upon the profit picture. Payment of the bonus is of course entirely up to the company in a particular year. Foremen also receive holidays based upon a percentage of their annual income and years of service including all the time on the waterfront as a registered longshoreman and time with the company.

The duties and supervisory functions of head foremen and hatch foremen for both Respondents are substantially the same. The head foreman is in fact the same as other foremen working for the Respondents but since he has some extra responsibilities he receives additional pay. In the Reasons for Judgment in the 1964 application and the Smith Report referred to above the duties were described, and in the evidence herein it was generally agreed that there has not been a significant change in these duties except in respect of

discipline since that time. Counsel for both the Applicant and the Respondents, however, in examination and cross-examination of witnesses, went into considerably more detail in this respect to assist the Board in reaching a decision.

In the case of the Respondent Western the chain of command with respect to the loading or unloading of a ship is the General Manager, Operations Manager, Assistant Operations Manager (who is specifically responsible for grain loading and unloading operations and replaces the Operations Manager when he is absent) one of the two Superintendents, head foreman and hatch foremen. With respect to the Respondent Empire, the chain of command is the same except that there is no Assistant Operations Manager and there are 11 Superintendents in the Company's employ.

The Superintendent was described in evidence as basically a troubleshooter and liaison man. He will visit the ship during the course of loading and unloading to consult with the head foremen. If any special problems arise, he will help out and advise. The time he spends on the ship can vary quite substantially from a matter of a few minutes to two to three hours depending on circumstances. On an average he will spend twenty to thirty minutes on a ship in the course of a day. About forty per cent of his time is spent in the office and the remaining sixty per cent visiting ships which the Company is responsible for loading or unloading.

The supercargo is employed by the company's client and works on the ship during loading or unloading; in the case of a chartered ship he is hired by the charterer, otherwise by the supplier of the cargo. His responsibility is to represent the client's interests. The captain and first officer on the ship represent the ship's interests in the loading and unloading of the cargo.

Usually the day before a vessel arrives in port the stevedoring company receives a cargo list or hatch plan of the vessel. A superintendent contracts the client and discuss the operation of the vessel, establishes the number of gangs required, the need for unloading machines and places an order for men. The Superintendent then notifies the man who is to be head foreman of the number of gangs he expects to get and who his hatch foremen will be.

The following morning the head foreman and hatch foremen go to the ship before the men arrive. The head foreman meets with the supercargo and the ship's officers and normally is the only representative of the company present at such meetings. The foreman is advised which hatches are to be worked. He decides which hatch a particular gang will work in and assigns it to a hatch, choosing the best gangs for the longest hatches.

With general cargo there are not likely to be as much in the way of changes in the plan as with packaged lumber. In the latter case, because of the nature of the commodity, the plan can only be a guide and the sequence of loading therefore may have to be changed by the foreman, sometimes in consultation with the supercargo. In other words, generally speaking, it appears to be necessary that there be substantial co-ordination between the head foreman, the supercargo and, to a lesser extent, ship's officers, in the planning of the work of loading or unloading of cargo, the foremen supplying the stevedoring expertise. In the loading or unloading of grain there is no supercargo and normally only one foreman involved in the operation.

In addition to assigning the hatch foremen to their various hatches and their gangs, the head foreman checks the gear list to see whether he has proper gear for loading or unloading the cargo, as the case may be and, if necessary, gets additional equipment from his company. In the meantime the hatch foremen have supervised the rigging of the vessel and inspected the cargo for damage. If there is any damage, the hatch foremen report to the head foreman who in turn advises the supercargo in order to obtain his clearance and protect the company against a claim for the damage.

The unloading of the cargo then goes ahead. If there is any damage during the unloading, this is the company responsibility and while there was some disagreement in evidence as to the extent of the head foreman's actual authority, it is reasonably clear that he has authority to commit the company financially for such damage; similarly in respect of damage to the ship caused by the longshoremen in loading or unloading. In such cases a damage report is of course made to the company by the foreman. In loading operations the hatch foreman checks the space allotted and if not adequate in his opinion, reports to the head foreman who deals with the supercargo. If everything is in order, the hatch foreman in the case of familiar cargo decides how it is to be stowed, otherwise he will check with the supercargo.

Normally a company is unable to obtain the full complement of men required to load or unload the vessel or does not wish to do so in the first instance because of the possibility of changes. Once the loading or unloading has commenced, therefore, the head foreman looks over the situation as a whole and decides what additional spare men are required. Again, there is some conflict of evidence as to his authority in this respect; witnesses called by the Applicant contended that he could only do so with the permission of the company or supercargo; witnesses called by the Respondents stated that the foremen might consult with the superintendent or supercargo before doing so, but could also do so on his own and in 20 per cent of the cases did so. In any event, it is clear that the foreman can effectively recommend that extra men be hired. With respect to work allocation, the foreman can do so to the extent of changing the priority of working in a hatch or transferring men to another hatch. To a substantial degree however, duties and classifications are provided for in the collective agreement.

In the loading and unloading of the vessel the foremen are the only representatives of management on the ship and it is their responsibility to see that the gangs work efficiently and well to obtain maximum production. The principal witness called by the Applicant agreed that foremen were responsible for the supervision of the men but doubted that it could be said they were responsible for performance. He conceded, however, that if the performance were not up to what might be expected, there was a responsibility to take some action if only to consult with the foreman's superiors.

The effect of the collective agreement between the Association and the union is that foremen are not supposed to do physical work involved in loading or unloading a vessel. However, in some situations where he considers it necessary to expedite the work, the foreman may undertake a particularly difficult task or in the case of a gang where there are some inexperienced men, he may in effect have to give them training on the job and thus do such physical work. While it was not suggested that the Respondents require foremen to undertake dangerous tasks or do other physical labour, nonetheless what takes place, as indicated above, is known and no orders prohibiting physical work by foremen have been issued by the Respondents.

Safety in the operation of loading or unloading a vessel is of course the responsibility of all engaged in the job. Hatch foremen, however, have a duty to ensure that safe practices are employed by the men under their jurisdiction and to this extent can be said to have an overall responsibility for safety in their operations; for example, if a longshoreman is carrying out an unsafe practice, it would be the hatch foreman's responsibility to tell him to discontinue doing so.

Hatch foremen prepare reports of what was done, time worked, delays, etc., by the men and the gangs on a daily basis. The head foreman, of course, checks them and normally signs them before they are transmitted to the company. The production reports, that is, cargo loaded and unloaded, may be made orally or in writing on the back of the time records by the head foreman. These reports, when written, are frequently quite detailed. None of the foremen examined as witnesses considered these reports as confidential. It is obvious that production and time reports are essential in determining not only costs but the charge to be made to the client. This information is also useful in determining the basis of future contracts. It is clear that a company would consider these

records to be confidential and it is, to say the least, surprising that the Respondents have made little or no effort to impress this upon their foreman. Much the same can be said of reports on efficiency of gangs or individuals therein or recommendations for promotion of particular longshoremen to foreman. Although generally made orally, it would be thought that the Respondents would have been at some pains to impress the foreman with the need for confidentiality.

With respect to overtime, foremen do not authorize overtime work but do recommend it to the company or the supercargo where it is considered necessary. When there is insufficient work remaining to require continuance of all the gangs on the ship, the head foreman will notify his company that he is, for example, letting two gangs go so that the Association can get fresh allocation orders for the gangs and so that the hatch foremen can be assigned new duties. In the case of surplus spare individuals, the foreman simply lets them go without notifying anyone.

The nature and extent of, and procedure of exercising, disciplinary powers of management with respect to longshoremen are set out in detail in the collective agreement between the Association and the Union. To a substantial degree, however, the disciplinary powers of management are delegated to the Association and therefore to the extent disciplinary powers reside in the company, they are exercised by the foreman. A foreman may thus suspend a man for the balance of the shift and if he believes there should be a further penalty, including permanent firing of the individual, he makes a recommendation to his company and the Association. The penalties provided for breaches of discipline are largely automatic, there being different penalties for first and second offences, etc. If, as a result of a foreman's recommendation, an additional penalty is imposed by the Association, the Union is advised and may take further steps under the grievance procedure. In the case of a grievance by a longshoreman the first dealings either he or his business agent has with management is with a foreman or head foreman.

The locker foreman has no responsibility in regard to the loading or unloading of a vessel and in fact does not work on board a ship. His responsibility is to supply proper and safe gear for the loading or unloading of the ship. In doing so, he receives a line-up or description of the ship's cargo so that he can make out a list of the proper gear required which is then prepared and sent to the ship. He is, of course, responsible for supervision of the locker men who deliver the gear to the ship. The men employed under the locker foreman, as distinguished from the longshoremen working on the ship, are permanent employees of the company and are approximately eight to ten in number.

The following classes of foremen are employed on the dock or pier in what is known as stage 2 and stage 3 work.

A foreman on the pier keeps a record of the time spent by men under his jurisdiction for billing purposes. He also has the same disciplinary powers as other foremen and accepts responsibility for damage done by his men. He is also responsible for seeing that the company's charges are protected where extra work is performed.

Dock foremen are engaged in the stage 2 operation and are responsible for loading or unloading the ships from the hook to the shed or vice versa. On cargo being unloaded, the dock foreman obtains from the superintendent a hatch list setting out what is in each deck of each hatch. On loading, the dock foreman gets a loading list from the supercargo. This is a line-up of all cargo going aboard the ship, in what hatch it is to be stowed and the sequence of loading. In loading, the cargo is obtained from the stage 3 area, which is under the shed foreman, and in unloading, it is delivered to the stage 3 area. The dock foreman's immediate superior is the pier superintendent. The dock gang may vary from one to eight men depending on the type of cargo; for example, palletized cargo can be handled by a one-man gang since this types of cargo is handled by machinery. Before the ship arrives, the pier superintendent or pier foreman contracts the steamship line in question and discusses the number of gangs required. Then an initial order is placed for the amount of labour required. If additional men are required, the dock foreman will contact the pier superintendent but if he is unable to reach him, will order the men himself. With respect to delays, the hatch foreman completes these on the back of his time sheet; toward the end of each day the dock foreman goes on the ship and takes all this information off the back of the time sheet and transfers it to the delay book which is then turned over to the timekeeper. These delays may occur through such things as the vessel rigging its gear and the purpose of the record is so that the stevedoring company can be reimbursed for time lost because of delays.

While the shed foreman's operation is somewhat different from that of the dock foreman, basically the duties are similar, His operation is described as a stage 3 operation. If there are four to six gangs working on a ship, the shed foreman would have four checkers and four drivers and one shedman working for him. These are permanent employees and report for work every morning. If he needs additional men on a particular job, he places an order through the company office. His responsibility is for the care of the cargo under his charge in the warehouse. In cases where customers phone regarding availability of their cargo for pick-up, he has direct contact with the customer. Before a ship arrives, each shed foreman plans his shed to receive the cargo on receipt of a cargo plan or hatch line-up; this involves allocating areas where different types of cargo are to go as well as destination; this may involve as much as 30,000 pieces of cargo off one ship. Shed foreman normally are not moved around from job to job as the only way the system can work satisfactorily is to have permanency. In ensuring that the company's charges in regard to work done are protected, a work order is obtained from the company and a tally is made out showing labour, machines and material used which is turned into the offices for billing purposes. On cargo being loaded, he is responsible for obtaining from the ship officer a boat note which is a receipt for cargo received.

Pier foremen to some extent are in a similar position to the head foreman on a ship. They oversee other foremen working on the pier or dock and assist them where there is a particular problem. On notice of arrival of a ship, the pier foreman contacts the steamship line and makes the necessary arrangements regarding dock and shed handling of the cargo and decides upon labour required for the job. In other respects they may have more responsibility than a head foreman in that they assist the pier superintendent, do basically what he does and in his absence would take his place. They also can specifically authorize overtime should a particular foreman wish to prepare his shed for a ship coming in on the following day.

Pool car foremen are also part of the stage 3 operation. One is assigned to each shed and another who acts in a liaison capacity between them, and their responsibility on cargo unloaded is for delivery of all overland cargo, otherwise known as O.C.P. traffic, into rail cars, that is, to get the cargo from the warehouse to the rail car or a delivering carrier. In so doing, they are responsible for obtaining maximum cubic and tonnage per rail car. Since a pool car is a consolidation of many importers' cargoes, in making up each delivery order they must calculate the cubic and tonnage and come up with a total load for the car. Since most of the O.C.P. traffic is handled by freight-forwarding companies, the pool car foreman must work directly with them to expedite movement of the freight. Requirements for a pool car foreman are good groundwork in checking functions, knowledge of railroad practices and a working knowledge of the documents that must be handled.

The bracing foreman is responsible for the bracing of cargo primarily on rail cars though sometimes on trucks. Cargo is braces with such material as chains, blocks and shoring, turnbuckles, wire, etc., according to the regulations established by the American Association of Railroads. On cargo to be loaded on the ship he is responsible for removing wires and cables prior to its removal from the rail car or truck. He is responsible for keeping a record of all

times spent and labour hired on a particular job as well as materials used. This information is passed to the office so that the customer may be billed for such charges.

Foremen also attend company meetings at which various phases of stevedoring operations are discussed. These meetings appear to have been held since prior to 1964 by Western on a somewhat irregular basis and more recently by Empire which holds meetings with its staff, including foremen, on an average of once every six weeks, except during the summer months. There was some difference of view in the evidence as to whether foremen were paid to attend these meetings. It appears in fact that many of the meetings are held on Sundays when the foremen are not working and they therefore are not paid to attend; if, during a time they otherwise would be working, they are paid on the usual hourly basis for attendance. Foremen also make recommendations as to improved work methods and consult with senior management about such matters as new types of gear.

While there may not have been a significant change in the duties of foremen since 1964, nonetheless any changes have been such as to connote a managerial status. It is not without significance, for example, that they are now employed on a full-time basis with a guaranteed monthly salary and attend management meetings to discuss company operations and personnel. While the meetings of the Respondent Western have been held since before 1964, there does not appear to be reference to this in the 1964 proceedings. There is no question that they are employed wholly in a supervisory capacity, are the only representatives of the stevedoring company present in the loading or unloading of a ship and the earlier or subsequent dock work, have no less disciplinary powers than higher management and while there are superintendents above them in the chain of command with a general responsibility, this does not in itself detract from their managerial status. While a number of matters must also be discussed with others such as representatives of the ship or the supercargo, this type of operation obviously involves co-operation in order that it may be handled not only efficiently from the point of view of the stevedoring company but satisfactorily from the point of view of the client and an operation of this nature obviously cannot be conducted in a vacuum.

Although the foreman who gave evidence stated they considered themselves closer to the longshoremen than to management, this is not surprising when it is appreciated that they consider they have for some time had grievances or problems that remain unresolved and their dependence on the goodwill of longshoremen to return to longshoremen's work should they lose their position as foreman. This, however, does not alter their functions.

On the basis of the evidence the Board is of the view that the duties and responsibilities of foremen are not what might be described as purely mechanical but that they are in fact an integral part of the managerial structure of the Respondent companies and thus are not employees within the meaning of the Industrial Relations and Disputes Investigation Act. The applications are therefore rejected. It is accordingly unnecessary to deal with the remaining grounds on which the applications were opposed.

Dated at Ottawa, Jan. 12, 1970

(Sgd.) J.J. Quinlan,
Vice-chairman and Acting Chairman
(for the majority of the Board)

We dissent:

(Sgd.) J.A. D'Aoust, Member.
R.C. Smith, Member.

Reasons for Judgment in Application for Certification

affecting

Overseas Communications Union (Applicant)

and

Canadian Overseas Telecommunications Corporation (Respondent)

and

T.R. Leslie et al (Intervener No. 1)

and

H.H. LeQuesne et al (Intervener No. 2)

The Board consisted of A.H. Brown, Chairman, and E.R. Complin, J.A. D'Aoust, K. Hallsworth, A.J. Hills, and Gérard Picard, Members.

The Judgment of the Board was delivered by the Chairman.

Reasons for Judgment

The Applicant, a trade union chartered by the Canadian Labour Congress, applies to the Board to be certified as bargaining agent for a unit of employees of the Respondent comprised of technical and communication supervisors. This unit may be described in terms of the Respondent's payroll classifications of employees as consisting of employees employed in Canada in the classifications of technical supervisor, supervisor of building plant (Mill Village, N.S.), supervisor of telex, supervisor-T.M.S.C., supervisor-phone room, and supervisor-counter and messenger delivery, excluding supervisors-clerical and persons above the rank of supervisor.

The Applicant is the bargaining agent under an order of certification made by this Board in 1952 for another unit of employees of the Respondent comprised of employees in the classifications who work under the supervision of the supervisors comprising the unit for which the Applicant now seeks to be certified as bargaining agent. The 1952 certification included also clerical employees of the Respondent at its head office at Montreal. Neither the supervisors covered by the present application for certification nor the clerical supervisors were included in the unit for which the Applicant was certified in 1952. In fact the Applicant had not applied to have the supervisors included in the said unit. In May 1969 the Board certified another local union chartered by the Canadian Labour Congress namely the Telecommunication Workers Union, Local 1653, as bargaining agent in place of the Applicant for a unit of employees comprised of the said Montreal head office group of clerical workers, excluding the clerical supervisors. In this instance also, Local 1653 did not apply to have the clerical supervisors included in the said bargaining unit.

The most recent of successive collective agreements to which the Applicant and the Respondent have been parties in the period since the 1952 certification is a collective agreement dates January 31, 1969, with effect from October 1, 1969 to September 30, 1969, filed in evidence as Ex. R-3, and now open for renegotiation. This agreement covers the employees in the Respondent's Radio and Cable Department who are the employees who work under the supervision of the supervisors in the unit for which the Applicant seeks certification as bargaining agent by its present application.

The Respondent is a Crown corporation, an agency of Her Majesty in right of Canada, which was created and carries on its operations under the provisions of the Canadian Overseas Telecommunication Corporation Act, C. 42 R.S.C. 1952. This Act authorizes the Respondent inter alia to establish, maintain and operate in Canada and elsewhere external telecommunications for the conduct of public communications by cable, radio-telephone or any other means of telecommunication between Canada and any other place and between Newfoundland and any other part of Canada. In its operations, according to its evidence, the Respondent provides overseas facilities such as telex, telephone and telegraph facilities to nearly every country in the world. The Respondent has its head office and main operating station at Montreal, Que. The other operating stations in its communications system in Canada are situated at Corner Brook and Deer Lake, Nfld., Mill Village, N.S., Grosses Roches, Drummondville and Yamachiche, Quebec, and Vancouver, Port Alberni and Ladner, B.C. The Ladner station has been closed and the operations and the employees at that station absorbed by the other west coast stations subsequent to the date of the application. The Mill Village station in the Respondent's satellite station from which it operates satellite circuits in conjunction with other ground stations in a number of Western European countries. This station can carry also television programs to any of these countries. Corner Brook station is a cable station operating cable circuits to Europe and to Commonwealth countries. These circuits are extended from Corner Brook to Grosses Roches on the Gaspé Coast which is the end of the cable circuit. From there the circuits are extended overland by leased facilities to the Montreal station. From that point some circuits are extended by leased facilities to the Vancouver station and thence to the Port Alberni station from whence the Respondent's cable circuits are extented by its cable system to its stations in Hawaii. The Yamachiche and Drummondville stations, termed "beam operations", operate radio circuits to Europe.

At the date of the application for certification there were 37 supervisors in the proposed unit of whom a majority were members in good standing of the Applicant at that date.

The Respondent contests the application for certification on the grounds inter alia (a) that the supervisors comprising the unit are not employees within the meaning of the Industrial Relations and Disputes Investigation Act but are, on the contrary, supervisors within the ordinary meaning of that word who exercise management functions on behalf of the Respondent; and (b) subject to this reserve, that the application should be dismissed in that "it is inappropriate and conducive to labour problems, inefficient operations, conflict of interest and undermining of authority, for

supervisory personnel to form part of the same local union as do the employees under their supervision and authority"; and (c) "in any case the bargaining unit sought covers only some of the supervisors of the company and is thus a balkanization of the supervisory employees of the company and seeks without justification to create a multiplicity of unions in the company".

Intervener No. 1 is a group of 5 supervisors at the Montreal station in the proposed unit and Intervener No. 2 is a group of 6 supervisors at the Vancouver and Ladner stations in the proposed unit. The Interveners oppose the application on grounds substantially the same as those advanced by the Respondent.

The issue for initial consideration is whether the supervisors in the proposed bargaining unit are employees for the purpose of the Industrial Relations and Disputes Investigation Act as defined in Section 2 (1) (i) thereof, or are excluded from the application of the Act under this definition as being persons exercising management functions on behalf of the Respondent. The greater part of the evidence and argument at the hearing before the Board on the application was directed to this issue.

The pertinent facts bearing on this issue as found by the Board on its consideration of the evidence are set forth hereinafter.

There are two major categories of supervisors in the proposed unit, namely technical supervisors and traffic supervisors. The technical supervisors and traffic supervisors. The technical supervisors, 28 in number out of a total of 37 supervisors in the proposed unit, supervise the technical and operational staff at all stations with the distinction that the operational staff engaged in the transmission and receiving of telegrams and cables at the telephone message switching centre at the Montreal station are under the supervision of 5 traffic supervisors (T.M.S.C.), and a telex supervisor of telex operating staff and a supervisor of counter and messenger delivery staff and a supervisor of phone room staff. All these operational supervisors are grouped by the Respondent under the general head of traffic supervisors without distinction. There is included also in the proposed unit one building supervisor at Mill Village station who supervises a miscellaneous group of trades and maintenance personnel including stationary engineers.

Communication operations at all stations are carried on a 24 hour per day basis 7 days per week and on a three shift per day basis.

The duties of the operating and technical staff supervised as aforesaid are described in Article 13 of the collective agreement between the Applicant and the Respondent as follows:

> "1. The duties of the operating staff, within the meaning of this Agreement shall be the transmission and/or reception of traffic by morse or cable system (aural or transcription) or automatic devices of any character or any work pertaining to the servicing, checking, revision and/or scrutinizing of traffic, as designed by the Supervisor or Revisor in Charge of Traffic.
>
> 2. The duties of the technical staff, within the meaning of this Agreement, shall be the installation and maintenance of telecommunication equipment and associated apparatus and also the operation of fascimile equipment.
>
> 3. Other than operating staff shall not perform operating duties except when regular operators are not available."

The technical supervisors are appointed by promotion from the ranks of the operating and technical staff whom they supervise and move up from this staff level to the grade of leading communications technician and thence to the grade of supervisor as vacancies occur. The immediate higher ranking officer to whom the technical supervisor is directly responsible is the station manager at the smaller stations of Corner Brook, Deer Lake, Grosses Roches, Yamachiche, Ladner and Alberni and the manager and assistant manager at the stations of Mill Village and Drummondville and the technical manager at the Vancouver station and the technical superintendent at the Montreal station. One manager is responsible for both the Corner Brook and the Deer Lake stations. These higher levels of management have been filled almost invariably by promotion from the tanks of the supervisors. The operating and technical staffs receive their training on the job and such training is one of the immediate responsibilities of the supervisors under whom they work. The supervisors at the larger stations operate on a shift basis and are responsible for the direction of the work of the shift crew of operating and technical staff and the maintenance of communications operations in their shift period.

At the smaller stations where there are only one or two supervisors, the supervisor has overall responsibility for the direction of the operational and technical staff and maintenance of communication operations and facilities on all three daily shifts including not only the shift he works but also the other shifts headed by a leading communications technician or a senior technician as the case may be. The time spent by the supervisors on unquestionably supervisory functions according to the evidence varies from 70 to 80 per cent of the time worked. The remaining time appears to be spent on a miscellany of activities including demonstration and instruction of staff, confirmation of findings of staff and assistance to technicians. They may be minor variations in the above breakdown of work depending on the pressures of work and the approach of an individual supervisor to the discharge of his responsibilities.

The supervisors have the responsibility for allocation of work and the determination of the priorities of work for the staff under supervision, to see that the work is done, to take immediate action in minor emergency situations, to report to the station manager or superintendent on other emergency situations requiring action and to allocate overtime where necessary to maintain the shift working force. The supervisors participate regularly in performance ratings of staff under supervision either by arriving at a group consensus or majority consensus in the larger centres or individual assessments in smaller stations. There are submitted to and are for use of the station manager or superintendent as the case may be.

The supervisors are also regularly and meaningfully consulted by higher levels of management at their station to secure their recommendations in a similar manner in the promotion of supervised staff to the leading communications technician grade and in filling supervisor post vacancies at the station at these open up from time to time. The supervisors are fully aware of their responsibilities and authority in the maintenance of order and discipline and for the direction of staff under their immediate supervision and maintenance of communication facilities. Article 16 of the collective agreement marked in evidence as Ex. R-3 dealing with "Grievance and Arbitration Procedure" provides inter alia that in the case of any dispute or difference concerning the interpretation, application or alleged violation of the agreement, any employee having a grievance shall first attempt to adjust the matter orally with his immediate supervisory superior and, if a satisfactory solution is not reached at this level the grievance shall be handled them by the local manager or other appropriate officer with the employee or with the employee and the local union representative.

Considerable weight was placed in argument by the Applicant on evidence that in practice only grievances of a minor nature are handled by the supervisor, other grievances of a more serious nature or involving the interpretation of the agreement being taken to the next higher level of supervision by the employee, as indicating the limited scope of the supervisor's responsibilities. The Board observes that the article nevertheless places upon the supervisor the responsibility to handle in the first instance any grievance arising under the agreement which the grievor under his supervision elects to grieve on and submit to him for adjustment. Moreover, the evidence is that the supervisor's recommendations to higher levels of management for more serious disciplinary action are made as circumstances require and are generally acted on.

The applicant drew attention to the provisions of section 3 of Article 4 of the collective agreement, making provision for the appointment of more junior operational or technical personnel to

act in place of the supervisor where the supervisor is on leave of absence and another supervisor is not available to take over, and for payment of additional renumeration while so acting, and submits that these provisions serve to indicate the minimal nature of the supervisor's responsibilities. These provisions were negotiated by the Applicant and the Respondent with the evident purpose of protecting on the one hand the interests of the technical and operational personnel covered by the agreement and on the other hand to ensure the continuity of supervisory direction which appears essential in this operation. They do not in the view of the Board detract from the weight of other evidence given concerning the nature and extent of the supervisor's responsibilities. The discharge of these supervisory responsibilities involves the exercise of individual discretion and judgment and the effective use of disciplinary authority.

There appear to be some differences in the weight of the responsibilities of some of the supervisors grouped by the Respondent as traffic supervisors but such differences are not substantial in the setting of this application. The provisions of the collective agreement specifically prohibit the traffic supervisors from doing work of the nature performed by the employees under their supervision.

The earlier position of the Applicant as reflected in the exclusion of the supervisors from the bargaining unit of supervised employees for which it sought certification in 1952 and in the formulation of the provisions of the collective agreement covering such employees vis a vis the respective duties and responsibilities of the supervisors and the employees, while not inconsistent with the position which the Applicant takes in the application for segregation of the supervisors as a separate bargaining unit, nevertheless is a matter of consideration in assessing the weight to be given to the arguments advanced on behalf of the Applicant directed to the depreciation of the nature and scope of the supervisors' responsibilities.

In the result the Board concludes that the supervisors in the proposed unit considered as a group for the purposes of this application exercise management functions in the performance of their duties and comprise as a group a pa.t of the Respondent's operational management structure. Another factor entering into this conclusion has been the consideration of the history and patterns of collective bargaining which has evolved in this operation over a considerable period of time during which the Applicant itself has been an interested party. The application is rejected accordingly.

While not pertinent to the disposition of the application in view of the conclusions thus arrived at, the Board considers that it should nevertheless not pass over without comment or express its views on the action of the management of the Respondent as disclosed in evidence in sending forward to the supervisors covered by the application the circular letter addressed to them under date of June 13, 1969, (a copy of which was introduced in the Applicant's evidence at the hearing as Ex. A-1 and is reproduced as Appendix I to this judgment and which was sent out in the period of the Applicant's efforts to organize the supervisors. The unqualified assertion contained therein that the supervisory staff of the Respondent were excluded from the provisions of the Industrial Relations and Disputes Investigation Act was incorrect and misleading and could be construed as coercive in its effect on persons to whom addressed. The matter of the status of the supervisors was an issue for determination only by the Board in the disposition of the application and the action of the Respondent was in contempt of the process of the Board. In any event the Respondent as an agent of the Crown should have been scrupulous to refrain from any appearance of interference with the basic rights of freedom of association of persons in its employ.

Dated at Ottawa, Jan 12, 1970

(Sgd.) A.H. Brown,
Chairman.

I dissent:
(Sgd.) J.A. D'Aoust, Member

Appendix I

June 13, 1969

A copy of a circular letter dated May 21, 1969, addressed to "Supervisory Staff" from Mr. J.M. Mains, President, Local 272, Overseas Communications Union, has come to my attention.

The said letter makes completely erroneous statements of fact. The federal Industrial Relations and Disputes Investigation Act which governs the right of employees who are subject to the federal laws as you are, to be a member of a trade union and to participate in the activities thereof, clearly does not apply to employees who exercise management functions.

Thus supervisory staff are excluded from the provisions of the Act. Members of the supervisory staff are not eligible to be members of the Union nor to benefit from the provisions and protection of the Act.

Yours very truly,

G.M. Waterhouse
Vice-President, Finance

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CONCILIATION BOARD REPORTS
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CLRB REASONS FOR JUDGMENT

No 2, 1970

Conciliation Board Reports in disputes between:

Atomic Energy of Canada Ltd., Chalk River, Ont., and Office and Professional Employees International Union, Local 404.

B.C. Towboat Owners' Association, Vancouver, and Canadian Merchant Service Guild

CP Air (Commissary Attendants), Vancouver, and General Truck Drivers and Helpers, Local 31



CANADA DEPARTMENT OF LABOUR

Hon. Bryce Mackasey, Minister

J.D. Love, Deputy Minister

Report of Board of Conciliation established to deal with dispute between:

Atomic Energy of Canada Ltd., Chalk River, Ont.
and
Office and Professional Employees International Union, Local 404

The Board was under the Chairmanship of Thomas C. O'Connor of Toronto. He was appointed by the Minister on the joint recommendation of the other two members of the Board, Michael O'Brien of Toronto, and Romeo Corbeil of Montreal who were previously appointed on the nomination of the company and union, respectively.

The dispute was settled with the assistance of the Conciliation Board and fully ratified by the union membership. Among other things the terms of settlement provide for a two year agreement with salary increases ranging from $190 to $740 per annum retroactive to July 1, 1969, and from $170 to $610 effective July 1, 1970. The agreement will expire June 30 1971. The report was received by the Minister of Labour in February.

REPORT OF THE BOARD

The Board of Conciliation is pleased to report that at the final hearing of the Board at Ottawa on January 23, 1970, the parties signed the terms of settlement. A copy of the terms of settlement not published here is attached to the original copy of this report.

Dated at Toronto Feb. 9, 1970.

Thomas C. O'Connor,
Chairman

Michael O'Brien,
Member

Romeo Corbail,
Member

Report of Board of Conciliation established to deal with dispute between:

B.C. Towboat Owners' Association, Vancouver,
and
Canadian Merchant Service Guild

The Board was under the chairmanship of R.A. Gallagher, Q.C., of Winnipeg. He was appointed by the Minister in the absence of a joint recommendation from the other two members of the Board, D.R. Blair and J.A. Moore, both of Vancouver who were previously appointed on the nomination of the employers and union, respectively. The report was received by the Minister of Labour in February.

The Conciliation Board appointed by you in connection with this dispute wishes to set out hereunder its findings and recommendations made with a view of the settlement of the issues between the parties.

Since the appointment of the Chairman of the Board on November 21st, 1969, the Board has had many meetings with representatives of the parties at the City of Vancouver, British Columbia.

Unfortunately, your Board was unable to bring the parties to agreement on the many complex and difficult issues between them. This is not surprising when one considers that after some five months of negotiations between themselves the parties came before this board not having really resolved any of a large number of issues between them.

This is not to say, however, that the hearings that the Board held with representatives of the parties were unproductive. On the contrary, these hearings gave the parties the opportunity to inform the Board in detail of the background of many important issues and to express their views as to the manner in which they might be resolved.

However, it became clear to your Board after a good number of meetings that the parties could not be brought together in agreement and the Board then devoted many hours to considering the various issues and formulating recommendations with respect to same.

The members of your Board are extremely happy to report that they have unanimity of view as to the manner in which these issues satisfied with our recommendations. We know that neither of the parties will be completely satisfied with our recommendations. To achieve such an end would be an impossibility in our opinion.

We do believe, however, that our recommendations represent a fair and equitable treatment of the many problems, and if they form the basis of a settlement between the parties they should lead to a more meaningful relationship between them and help to establish a climate of harmony and goodwill which appears to the Board to be badly lacking at this time.

Attached hereto are the several proposed articles of almost an entire collective working agreement between the parties not published here. In some of these articles the wording is that suggested by the Guild, in others that suggested by the Companies. In some cases, the suggested language has been changed or modified by your Board, and in other cases the language used is the Board's alone.

In the collective experience of the members of your Board we realize that it is somewhat unusual for a Board to do other that set out the principles which it feels should be followed in arriving at a settlement of the issues between parties to such a dispute.

However, the towboat industry itself is an unusual industry with little similarity to other industries in British Columbia, or for that matter, Canada as a whole.

The nature of the work performed, the conditions of service, the terms of service, and most other matters, relating to conditions of work, are peculiar to this industry alone, and it is obvious from this that laymen cannot hope to have that knowledge and understanding of some of the problems between these parties that the parties possess themselves.

We have tried therefore wherever possible to adopt the language of the parties which best expressed in our views the principles which should be implemented in settling the several issues. In order that there would be no misunderstanding by the parties of our views we have set the same out at length as referred to above.

However, the matter does not end here. There are several issues left which might be called the "key" issues or the "burning" issues between the parties, and this Board must endeavour to its best ability to deal with the same.

These issues are the question of the manning of towboats and the matter of accommodation for officers of the Guild while serving on board the towboat.

The issue of manning is an extremely complex one as can be attested by the fact that the parties have been debating this issue between themselves for over ten years and were no closer to a solution of it when they appeared before this Board than they were ten years ago.

In such circumstances it appears ludicrous to this Board that three laymen should be asked to solve a problem which the parties with their far greater knowledge of its many facets have not been able to solve over these many years. This was pointed out to the representatives of the parties in the hopes that their fears as to the outcome of our experienced deliberations would act as a catalyst to their widely differing views.

Such was not the case, however, and this Board must deal with the matter. In doing so the Board does not intend to set out in detail the wording which should be implemented between the parties, nor to deal with every aspect of the problem.

Rather, we intend to set out certain general principles to the parties, who are best equipped for the task, to deal with the many aspects of the entire issue, and to resolve the wording of the appropriate Articles.

Before setting out these principles, however, we feel it is essential that we say something about the history of this manning problem in the B.C. towboat industry since we will be making certain recommendations to you which we trust your Government will implement as quickly as possible.

This Board does not intend to deal with the history of the problem in any great detail for two reasons. First, the members of the Board do not have that deep knowledge of such history which would be essential for this purpose, and, second, this history has been well and thoroughly documented by others over the years.

In the last twenty years there have been tremendous changes in the towboat industry. With the advent of the diesel engine, and the change from steam power to diesel power in tugs, the owners have been able to increase the horsepower of these vessels while at the same time maintaining, or in some cases, even reducing, the size of the vessels. Also, as these diesel engines became more and more sophisticated and efficient, the owners have been able again to increase the operating power of a vessel without any corresponding increase in the vessel's size.

The benefits of this situation to the owners are readily discernible. A tug which in the days of steam power might be able to tow one or two booms of logs, or one or two barges, with the advent of the diesel could now tow three, four or five of the same.

It has been said in this case, as it has been said in certain other industries, that the diesel engine is more efficient than steam engine, requires less servicing and is not as prone as the steam engine to sudden breakdown.

Whether or not this is so is of no importance at this time. The relevance of the point is simply that over the years there has been a reduction in personnel carried aboard tugs for the purpose of servicing the engine.

While the above is a very superficial statement of the situation it is sufficient in our view to illustrate the point that the advent of the diesel engine has brought substantial benefits to the operators of towboats and at the same time has resulted in a reduction in the number of personnel employed in this industry.

The Guild, quite properly, has been concerned about this situation for some years and, in particular, has been vitally concerned with the manning of these towboats from the standpoint of the safety of its members.

We can appreciate that a towboat with a crew of four, for example, towing one or two booms of logs is an entirely different situation so far as safety is concerned from the same towboat with the same crew towing four or five booms.

The problem of proper manning is further compounded by the fact that The Canada Shipping Act until quite recently did not apply in some of its aspects to certain towboats.

In addition, the operators who are members of the B.C. Towboat Owner's Association represent a portion only of the total towboat industry along the coast of British Columbia. There are many towboats operating in the same area who are not bound by any agreement with the Guild. They are unorganized in this sense and are commonly referred to as "gypos". These operators man their boats as they see fit, subject to certain restrictions, and maintain their boats as they see fit, also subject to certain restrictions.

There appears to be no question that these unorganized operators can to a great degree underprice or undercut the organized operators. The organized operators' concern is that any manning requirements which they might agree to, if not imposed on the "gypos", will only aggravate an already difficult situation and result in many of the organized operators being forced out of business.

Without being critical in any way, this Board has been extremely concerned with the function of the Department of Transport, and to a lesser extent with the Department of Labour, in connection with the towboat industry.

Even though the above situation has been in existence, and apparent, for many years now, it is only within the past several months that a study of the industry insofar as the safety of vessels, manning requirements and accommodation was carried out.

The Department of Transport has not only allowed this problem to grow over the years, and to fester until it reached a dangerous point, but as well it has failed over those years to exercise certain jurisdiction it possessed under The Canada Shipping Act and, until recently, it did not obtain amendments to that Act which would have enabled it, in part at least, to remedy this situation.

We say again that the above remarks are not made in a spirit of criticism, but rather to point out that in the towboat industry where the danger of loss of lives can be so great for so many reasons there can be no excuse for the Government of Canada not establishing standards to apply to all towboats, and ensuring, by having adequate inspection personnel at hand and effective legislation with which to work, that such standards are met by all concerned at all times.

Our recommendation is that with respect to the general principles that are enunciated hereunder that the Government of Canada take whatever action is necessary immediately to ensure that

these principles apply to all towboats operating in the coastal waters of British Columbia.

Since we are aware through a recent statement made by the Minister of Transport that his department is actively at work in many of the areas of concern to both the towboat owners and members of the Guild, we recommend that every effort be made by the Government to meet the target dates for these regulations as stated by the Minister, and that, when implemented, the same should apply to, and be stringently enforced with respect to, all towboat operators as above set forth.

The general principles which we feel are fundamental to the problem of manning, and which should be implemented between the parties, are as follows:

(a) The crew of any commercially operated tug shall be a minimum of two men.

(b) The manning of a tug shall allow for two men being available to the wheel house at all times the vessel is underway.

(c) Vessels must be so manned that no employee is required to work in excess of 12 hours out of a period of 24 hours except in emergency conditions.

(d) Every employee shall get at least 8 hours rest out of every 24 hours, six hours of which must be consecutive.

The question of accommodation of officers of the Guild while on board the vessel is also a "thorny" issue between the parties.

The members of the Board inspected a number of tugs, and, as might be expected, some had what appeared to be quite good accommodation and facilities in the Board's opinion, and others left much to be desired.

Again, without being critical, it would appear that the Department of Transport has been somewhat oblivious to a very real problem, and to some extent certain owners have failed to exercise good judgment in the nature of the accommodation they have supplied.

As stated above, we are aware that the Department of Transport is now taking active steps in this area and we make the same recommendation in that respect as we have on manning.

The members of the Board are frank to acknowledge that they are not expert in this area. However, the Board does feel that in this area as well there are certain general principles which should be agreed upon by the parties as a reasonable resolution of the problem.

The Board appreciates that the problem is really twofold. There are the existing vessels which represent substantial investments of capital and there are, and will be in future, the new vessels.

The Board is of the opinion and recommends that with respect to both old and new vessels, decisions as to adequate accommodation and facilities should be the subject of discussion and decision by the owners, the Guild, and officers of the Department of Transport who are properly qualified in the field of vessel construction.

It is recommended that the owners should be given a period of three years to make such changes in their vessels as are agreed upon by the above three parties, and failing such agreement, as are prescribed by the Department. At the end of such three year period no vessel should be allowed to operate which does not have a certificate issued by the Department certifying as to the adequacy of its accommodation and facilities.

In the case of existing vessels, this Board recommends:

(a) That where practicable in the opinion of an officer of the Department who is qualified in vessel construction, sleeping accommodation for an officer shall be above deck.

(b) Such accommodation should be properly and adequately insulated against engine noise, and other noise.

(c) Such accommodation should be properly and adequately insulated against heat and cold, and should have provision for warmth when weather conditions require it.

(d) Every towboat should have a properly installed, and properly functioning, head.

(e) On continuous operating towboats there should be a shower which should not be in the proximity of the head.

(f) On continuous operating towboats there should be the necessary machines for washing and drying of clothes.

(g) The accommodation on all towboats as set forth above should be properly and adequately ventilated.

(h) On all towboats there should be a suitable galley which should contain a stove and a refrigerator adequate for the size of the crew. In addition, there should be an eating area, separate from the galley, and properly equipped.

(i) Wherever practicable in the opinion of said officer of the Department, the distance from deck to deckhead shall be at least 6' 6".

(j) Each officer should have a properly built bunk, which, wherever practicable in the opinion of said officer, should run fore and aft, and be not less than 75" in length and 36" in width.

Needless to say, on new vessels all of the above recommendations should be implemented and the height between deck and deckhead on vessels over 65' in length should be at least 7', and on vessels under 65' in length should be 6' 6".

The Board has not tried to be exhaustive, but hopes that these general statements will assist the parties in resolving this issue.

If the parties when implementing this Board's recommendations as to be the principles involving manning as set out above, should be unable to arrive at a mutually satisfactory decision on any matter relating to manning then the parties should agree that they will refer the matter to the Chairman of this Board, who shall sit as a single Arbitrator, and the decision of the said Arbitrator shall be final and binding on both parties hereto.

The Board recommends to the Government that if the above provision is agreed to by the parties, that the costs and expenses of the Chairman should be borne and paid by your Department of Labour as an extension of the function and duties of this Board.

It will be observed from the agreement which is attached hereto that this Board is recommending a wage increase of 10 per cent in each year of a two year agreement with the proviso that no officer should receive less than $70 per month increase in the first year of the agreement.

It will also be observed that the reasons of the Board in making such a recommendation have not been set forth. The reason for this is simply that the members of this Board were unanimous in their opinion as to what the increase should be and saw no purpose in setting forth their views in detail.

The parties, however, must understand that this Board considered all relevant matters in arriving at this recommendation. It represents, in our view, fair and equitable treatment of both parties and should not be considered as being made on any basis other than that of bringing about a settlement between the parties based on this recommendation.

In our view this Board would be remiss in its duties if it did not say one last word about the relationships of the parties. These relationships seems to have become increasingly bitter for sometime now to the disadvantage of both parties in our opinion.

This Board has endeavoured in its report and recommendations to create a climate between the parties which will enable them to live in a spirit of harmony and goodwill.

Co-operation is essential to the welfare of both parties. As well by the very nature of the operation of a tug, teamwork is essential among all members of the crew. Such co-operation and teamwork has been given well by members of the Guild in the past, and it is our belief that the recommendations we have outlined above should, and will, carry this co-operation and teamwork forward in even greater degree in the future.

We thank the parties for the excellent submissions made by them to us, and for the spirit of goodwill which they showed us.

Dated at Vancouver, Feb. 1, 1970.

(Sgd.) R.A. Gallagher,
Chairman

D.R. Blair,
Member

J.A.Moore,
Member

Report of Board of Conciliation established to deal with dispute between:

CP Air (Commissary Attendants), Vancouver
and
General Truck Drivers and Helpers, Local 31

The Board was under the chairmanship of Dr. Noel A. Hall of Vancouver. He was appointed by the Minister on the joint recommendation of the other two members. David Edward Hewitt and Peter Wilson, both of Vancouver, who were previously appointed on the nomination of the company and union, respectively. The report was received by the Minister of Labour in January.

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1. The parties agreed that the Board was properly constituted under the provisions of the Industrial Relations and Disputes Investigation Act, and further, that the time for submission of the Board's report should be extended to January 23, 1970.

2. The Board held a hearing on January 13, 1970 in the offices of the Canada Department of Labour, 900 West Hastings Street, Vancouver, B.C. to receive submissions from the parties and on subsequent occasions to consider the positions of the parties.

   At the outset, it was clear that the parties, with the able assistance of Mr. Tysoe and Mr. Gray, had spent a great deal of time and effort in resolving a number of issues, including the matter of a general wage increase. The task of the Board has been to try to close the gap between the parties on the remaining items, particularly those pertaining to effective dates for wage increases and other benefits, the substance of which has been agreed to by the parties.

3. The Board recommends that Agreement No. 3 between the parties be amended to give effect to those changes already agreed to by the parties and to the following recommendations:

   a) Term of the Contract: July 1, 1969 to June 30, 1971 and to renew itself thereafter under the terms of Article 14 — Renewal and Termination.

   b) Effective Dates for Wage Increases: The first increase, as agreed by the parties, to be retroactive to July 1969; and a second increase, the amount as agreed to by the parties, to be effective on June 29, 1970.

   c) Effective Dates for Overtime Payments: That pay for overtime worked from July 1969 to the first of the month following the signing of a new agreement be calculated at the new rates of pay, entitlement to be determined on the basis of time and one-half for the first three hours in excess of the normal work day and double-time thereafter.

   That the new basis for calculating overtime entitlement as agreed to by the parties be effective the first day of the month following the signing of a new agreement.

   d) Effective Dates for Shift Premium Increases: That shift premium increases as agreed to by the parties, be effective as follows: The first increase, retroactive to July 1969; the second increase, effective June 29, 1970.

   e) Retroactivity for Employees Not on the Payroll: That Article 14 — Renewal and Termination be amended by adding the following: There shall be no retroactive application of the terms of this agreement to employees not on the payroll as of the date of signing, other than those retired, on leave of absence or on laid-off status.

   f) Hours of Work: That Article 3 of the Agreement be amended to provide for a 37 1/2-hour week, effective the first day of the month following signing of a new agreement.

   g) Seniority: That the appropriate Article be amended to provide that when a member of the bargaining unit is promoted to a job outside the unit, he shall accrue seniority up to six months and thereafter, his seniority shall be maintained but shall not accrue.

   h) New Job Classification — Commissionary Assembler: The Employer suggests that there is justification for spinning-off a number of lower skilled tasks associated with the make-up of flight kits and creating a new job description within the bargaining unit. Such a job would carry a

lower rate of pay, and such lower rate of pay would apply only to new employees coming into the unit. The new job would involve no loading or off-loading duties. The Employer further contends that such a job classification would be comparable to one in other airlines and suggests a rate of $450 per month.

The Board is not in a position to make a firm recommendation on this matter because of the limited data available, but it is our view that the idea has sufficient merit that it deserves that serious consideration of the parties. To ensure that the matter be examined carefully, the Board recommends as follows: That the parties meet and within sixty days, attempt to formulate a satisfactory solution to the advisibility of creating a new job classification within the bargaining unit to be known as Commissary Assembler, such discussions to be carried on within the terms of the collective agreement.

4. The Board is of the unanimous opinion that the above recommendations, together with those matters agreed to by the parties, will form the basis for a new collective agreement.

Dated at Vancouver, Jan. 22, 1970.

Noel Hall,
Chairman

Peter Wilson,
Member

David E. Hewitt,
Member

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No 3, 1970

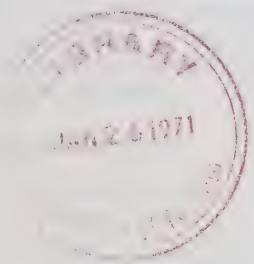
Conciliation Board Reports in disputes between:

Canadian Helicopter Overhauls Ltd. and Okanagan Helicopters Ltd , Vancouver, and International Union of Operating Engineers

Canadian National Railways (Borden-Cape Tormentine Ferry Service) and Canadian Merchant Service Guild

Reasons for Judgment in Application for Certification Affecting:

United Radio and Television Workers (Applicant) and CKAC Limitée, Montreal, (Respondent)



CANADA DEPARTMENT OF LABOUR

Hon. Bryce Mackasey, Minister

J.D. Love, Deputy Minister

Report of Board of Conciliation established to deal with dispute between:

Canadian Helicopter Overhauls Ltd

and

Okanagan Helicopters Ltd., Vancouver, and International Union of Operating Engineers

The Board was under the chairmanship of R.G. Clements of Vancouver. He was appointed by the Minister in the absence of a joint recommendation from the other two members of the Board, Philip Shier and E.P. O'Neal, both of Vancouver, who were previously appointed on the nomination of the company and union, respectively. The report was received by the Minister of Labour in March.

The Board held open sittings in the City of Vancouver on February 23, 1970. The dispute arises from the failure of the parties to agree on terms for an initial collective agreement. While the format and the main body of the document had been agreed upon as shown in a proposed draft agreement presented to the Board, the following items were unresolved. The numbers refer to the clauses in the said proposed agreement.

2.1 Duration of Agreement.

2.2 Continuance of Agreement.

3.3 Employees not now in the Bargaining Unit.

3.4 Whom agreement is binding upon.

3.5 Application of Agreement to crews of leased machines.

3.6 Work outside Canada.

6.3 Union Security.

6.4 Compulsory check-off of Union Dues.

9.14 Seniority for Employees on Union Business.

10.3 Work on Christmas Day and New Year's Day.

18 Moving Expenses,

29.1(b) A. D. & D. Insurance for Employees.

Schedule A. Wage Scales.

During the discussion which ensued following the presentations of the Parties, some degree of agreement, in some matters complete, was arrived at on some of the clauses. However, wide differences separated the Parties on the major items of Union Security and the Wage Scale. Consequently it becomes necessary for the Board to make recommendations.

RECOMMENDATIONS

2.1 The Agreement should be for a term of two years, from October 1, 1969.

2.2 At the end of the present paragraph 2.2, add the following: "In case negotiations conducted in accordance with this Clause break down either party may terminate this agreement upon the expiration of 20 days notice in writing, mailed by registered mail to the other party."

3.3 "When any new job within the bargaining unit is created not now covered by the Collective Agreement, the wage rates for such job shall be subject to negotiations between the Company and the Union and the rate agreed upon shall be retroactive to the date of his commencement of the job. Should the Parties fail to agree upon a rate, the question shall be referred to Arbitration and the provisions of Article XV of this Agreement shall apply." (Agreed to by the parties).

3.4 This Agreement shall be binding on the Company and the Union and their respective successors, administrators, executors and assigns and on each employee of the Company in the Unit of Employees for which the Union has been certified.

In the event that the business or part thereof is sold leased or transferred, the purchaser, lessee, or transferee shall be bound by the terms of this Agreement to the same extent as if it had been signed by him.

3.5 The Board recommends that the Agreement be silent on this matter of leased machines.

3.6 Employees hired in Canada with qualifications to work within the framework of the Company's Canadian operations shall not be placed outside the Agreement by reason of being sent to work outside the continental limits of the Dominion of Canada. If such circumstances should arise, conditions and pay will be subject to negotiations with the employee(s) involved, with or without Union representatives, (agreed to by the parties).

6.3 The Board recommends that for the first year of this agreement, i.e. until September 30, 1970, there be a maintenance of membership provision, after this style: "any employee who is now a member of the Union or subsequently becomes one shall maintain such membership during the term of this Agreement as a condition of employment."

Effective October 1, 1970 there should be a union shop clause requiring employees to become members and maintain membership in the union as a condition of continued employment.

6.4 Until September 30, 1970 there shall be a provision generally referred to as the Rand Formula requiring every employee, whether or not a member of the union to pay by check-off to the union a sum equal to the current union dues.

Commencing October 1, 1970 each employee shall as a condition of employment, execute a written authorization to the company authorizing it to deduct the appropriate sums which are to be remitted to the union under the terms of this agreement.

9.14 Employees granted leave of absence to take union employment shall continue to accrue seniority up to a period of two years. Similarly, employees granted leave of absence to attend a union convention or to act as a union delegate may accrue seniority during such absence up to a period of two weeks. (agreed to by the parties)

10.3 Operational employees required to work either Christmas Day or New Year's Day shall be paid one-fifteenth of a month's pay for either of these days actually worked plus

an additional day off. For any employee who is officially notified that he is on standby for either of these days, the Company will pay one-thirtieth of a month's pay with an additional day off. Whenever possible, this work shall be on a volunteer basis. (agreed to by the parties)

29.1 The Group Life and Accidental Death and Dismemberment Insurance Plan instituted by the Company on February 1, 1970 and described in circular letters dated January 22 and 23, 1970, to the employees has been agreed to by the union.

XVIII The parties have agreed that Exhibit 4, a Letter of Understanding on Transportation and Moving Expenses, shall be signed by the parties and appended to the collective agreement.

Wage Schedule

Over the past years, January 1 has been the date on which the company has given wage increases and on January 1 this year it gave a 6% increase and promised a further 6% on January 1, 1971 to the employees within this bargaining unit. This is one of the major points of dispute and in attempting to resolve it, this Board recommends:

That in addition to the 6% already granted effective January 1, 1970 there be a further increase of 4% effective June 1, 1970 and a further increase of 6% effective October 1, 1970.

Mr. Shier dissents from the above recommendations concerning union security and wage increases, but concurs with the balance of this report.

DATED at Vancouver, B.C., March 16, 1970

(Sgd.) R.G. Clements,
Chairman,
E.P. O'Neill,
Member.

Report of Philip Shier

I have had an opportunity of reading the majority report of my colleagues which substantially reflects the joint recommendations and those with which I could not agree. My disagreement with the majority report is as follows:

1. Union Security

In my view it would be inappropriate in a first collective agreement to grant full union security or even the modified formula suggested by my colleagues; it seems to me that there is a responsibility upon the union to demonstrate its ability not only to recruit membership but to maintain it, and the crucial period is the term of the first agreement.

2. Wages

In my opinion, the offer made by the company of six per cent wage increases on January 1, 1970, and January 1, 1971 is consistent with the general policy of appropriate wage increases without accelerating inflationary trends so prevalent in Canada today. In addition, it must be kept in mind that the employer should be in a competitive position, not only to stabilize his business but to extend and expand it, thus making greater work opportunities for more Canadians in the particular field. The levels of wages appear to me to be appropriate and the company proposal for increases in line with current policy.

DATED at Vancouver, B.C., March 26, 1970

(Sgd.) Philip Shier,
Member.

Report of Board of Conciliation established to deal with dispute between:

Canadian National Railways (Borden-Cape Tormentine Ferry Service)

and

Canadian Merchant Service Guild

The Board was under the Chairmanship of Judge Nathan Green, Q.C. of Halifax. He was appointed by the Minister in the absence of a joint recommendation from the other two members of the Board, A William Cox, Q.C., and J.K. Bell, both of Halifax, who were previously appointed on the nomination of the company and union respectively The dispute was settled with the assistance of the Board and the report of settlement was received by the Minister of Labour in March.

The Board consisting of A. William Cox, Q.C., and J.K. Bell, Esq. as nominees of the respective parties, and Judge Nathan Green, appointed as the Chairman and third member of the Board, by The Honourable Minister of Labour on September 4, 1969, met with the parties and, after protracted negotiations, succeeded in bringing the parties together to conclude a two-year collective agreement on the basis of 13 points set out in the memorandum attached to this report and marked Schedule "A '.

DATED at Halifax, Nova Scotia, March 11, 1970

(Sgd.) Nathan Green,
Chairman.

A William Cox,
Member.

J.K. Bell.
Member.

Memorandum of Settlement

It is agreed that:

1. Effective February 1, 1969, weekly basic rates of pay shall be increased by 6½ per cent.

   Effective February 1, 1970, weekly basic rates of pay in effect January 31, 1970 shall be increased by 6½ per cent.

2. Effective February 1, 1970, Article 29 of the collective agreement (health and welfare) shall be amended to provide that the company will assume the 50 per cent portion of the premium payable by participating employees each month for basic benefits under the benefit plan for employees of Canadian railways.

3. Effective February 1, 1970, three weeks annual vacation with pay after ten years of service instead of after 12 years as heretofore and four weeks annual vacation with pay after 18 years of service instead of after 22 years as heretofore.

4. Effective February 1, 1970, Article 11.1 shall be amended by the addition of Boxing Day.

5. Effective February 1, 1970, Article 11.4 shall be amended to provide that an employee not regularly assigned to a weekly rated position must, in order to qualify for pay for a general holiday, be entitled to wages for at least 12 shifts or tours of duty during the 30 calendar days immediately preceding the general holiday; reference to the day before and the day after the general holiday as a qualification for holiday pay will be deleted.

6. Effective February 1, 1970, Article 11 shall be amended to provide that an employee who is laid off or suffering from a bona fide injury but who otherwise qualifies for general holiday pay shall be paid for such holiday.

7. Effective February 1, 1970, Article 19 (uniforms) shall be amended to read as follows: "Deck Officers required by the Company to wear uniforms shall be furnished free of charge three uniforms and one burberry coat every two years; a parka and a cap with badge as required."

8. Effective February 1, 1970, a Deck Officer shall, after having completed six months' cumulative compensated service, be entitled to leave of absence with pay in the event of a bereavement due to the death of spouse, child, parent, father-in-law or mother-in law for the purpose of arranging and/or attending the funeral of the deceased and for such other requirements as would reasonably necessitate one or more working days off duty, up to a maximum of three working days.

9. Effective with the signing of this memorandum and subject to agreement on seasonal exemptions appropriate to the operating conditions of the service as required by Article X of the job security agreement, the benefits and conditions of the job security, technological, operational and organizational changes agreement dated January 29, 1969 between the Canadian Railways and the Associated Railway Unions will be made applicable to employees covered by this agreement.

   Immediately following completion of this Memorandum of Settlement the Canadian Merchant Service Guild will make application to the Associated Railway Unions for acceptance as participants in the aforesaid job security, technological, operational and organizational changes program.

10 Each employee shall receive the sum of $20 for each calendar month of employment (prorated proportionately for periods of employment of less than a calendar month) in lieu of full payment by the Company of Health and Welfare coverage and other fringe benefits accruing during the period February 1, 1969 to January 31, 1970.

11. The Company shall arrange for the conduct of a job study during 1970 to examine the relationship that the mates bear to the engineers. The Guild will be consulted and advised of the progress of this study and also of its conclusions before the commencement of the next contract negotiations.

12. Collective agreement to run to January 31, 1971.

13. The foregoing changes are in full settlement of all requests served on the Company.

Reasons for Judgment in Application for Certification affecting:

United Radio and Television Workers Union (Applicant)

and

CKAC Limitée, Montreal (Respondent)

The Board consisted of A.H. Brown, Chairman and J.A. D'Aoust, Jacques Guilbault, A.J. Hills, Gérard Picard, and R.C. Smith, Members. The Judgment of the Board was delivered by the Chairman.

Reasons for Judgment

1. The Respondent owns, operates and maintains radio station CKAC at Montreal, Que., together with a transmitter at St. Joseph du Lac, Que.

2. The Applicant, a local union chartered by the Canadian Labour Congress, applies to be certified as bargaining agent for a unit of employees of the Respondent consisting of salesmen employed by the Respondent to solicit and sell radio advertising time for broadcast on station CKAC. The Applicant claims that a majority of the employees in this unit are members in good standing of the Applicant. The Applicant is the certified bargaining agent of another unit of employees of the Respondent employed in the operation of the radio station CKAC from which these salesmen are excluded by the terms of a certification order. In fact the Applicant had not applied for their inclusion in this other unit.

3. The salesmen in the proposed unit are employed full time by the Respondent and work out of the Respondent's office in Montreal in their sales activities. All these salesmen are paid a basic weekly salary and in addition a commission based upon their individual sales of radio advertising time. Their average commission earnings are substantially in excess of the amount of the basic salary received by them.

4. In its contestation of the application the Respondent submits that its salesmen do not perform manual, clerical or technical work and that moreover by the nature of their work which is primarily to solicit and sell, these salesmen are not and cannot be subjected by the Respondent to a degree of control by which they could be considered employees within the meaning of the Industrial Relations and Disputes Investigation Act.

5. Paragraph (i) of subsection (1) of section 2 of the Act provides that in the Act:

"(i) 'employee' means a person employed to do skilled or unskilled manual, clerical or technical work, but does not include

(i) a manager or superintendent, or any other person who, in the opinion of the Board, exercises management functions or is employed in a confidential capacity in matters relating to labour relations, or

(ii) a member of the medical, dental, architectural engineering or legal profession qualified to practise under the laws of a province and employed in that capacity;"

The Board has had occasion from time to time to consider the scope of this definition in relation to other categories of persons claimed as employees under the Act. It is of opinion that the views and conclusion set forth in the Reasons for Judgment delivered in the case of American Newspaper Guild and Canadian Press (52 CLLC, para. 16615, CLLR Vol. 1 (1944-49) and in the case of Canadian National Railways and Canadian National Railways Police Association (65 CLLC para. 16098, CLLR Transfer Binder (1964-66)) where a similar issue was raised apply with equal force in the consideration of the issue raised herein. The Board is of opinion that the evidence as to the manner in which the salesmen carry out their work and the relationship between the salesmen and the Respondent does not support the contention of the Respondent that the salesmen are independent contractors and therefore not employees under the said Act.

6. In the result the Board finds after consideration of the evidence before it and the arguments advanced on behalf of the parties at the hearing held by the Board on the application that the Applicant is a trade union within the meaning of the Industrial Relations and Disputes Investigation Act; that the salesmen constituting the proposed bargaining unit for which the Applicant seeks certification as bargaining agent are employees within the meaning of the said Act; and that the unit of employees of the Respondent consisting of the salesmen employed by the Respondent in its radio station undertaking and business is an appropriate and viable unit for collective bargaining. In the circumstances of the case the Board considers that a vote by secret ballot should be taken of the employees in the said unit under the direction of its Chief Executive Officer to determine the wishes of the employees in the unit as to the selection of the Applicant to be their bargaining agent and so orders.

Ottawa, Feb. 12 1970

(Sgd.) A.H. Brown,
Chairman
for the Board.

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CONCILIATION BOARD REPORTS
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No 4, 1970

Conciliation Board Reports in disputes between:

Canadian National Steamship Company Limited and Seafarers' International Union of Canada

Canadian National Steamship Company Limited and Canadian Merchant Service Guild

Canadian Pacific Railway Company (B.C. Coast Steamship Service) and Seafarers' International Union of Canada

Pacific Western Airlines Limited and Canadian Air Line Flight Attendants' Association

CLRB Reasons for Judgment in application for certification affecting

Canadian Wire Service Guild (applicant)
and

Canadian Broadcasting Corporation (respondent)
and

Association of Radio and Television Employees of Canada (Intervener)

Letter Carriers' Union of Canada (applicant)
and

Jessiman Bros. Cartage Ltd. of St. James, Manitoba (respondent)

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CANADA DEPARTMENT OF LABOUR

Hon. Bryce Mackasey, Minister

J.D. Love, Deputy Minister

Report of Board of Conciliation established to deal with dispute between:

Canadian National Steamship Company Limited

and

Seafarers' International Union of Canada

The Board of Conciliation was under the chairmanship of George W. Rogers of Vancouver. He was appointed by the Minister on the joint recommendation of the other two members of the Board, Cecil S. Cosulich and John Brown, both of Vancouver, who were previously appointed on the nomination of the company and union, respectively. The report was received by the Minister of Labour in May. It was signed by Messrs. Rogers and Brown, thereby becoming the majority report of the Board; Mr. Cosulich submitted a minority report on wages.

Hearings were held at Vancouver, B.C. on January 26 and 28 of 1970 with the Board meeting on February 13, April 9, 24 and May 5, 1970. During the hearings and in discussions with the Board the parties reached tentative agreement on a considerable number of items originally in dispute.

After careful consideration of the briefs, representations and exhibits this Board recommends that the parties renew their collective agreement with such amendments as necessary to give effect to the following:

Article 2 – Union Security

(amended wording agreed on)

2.1 "Any unlicensed personnel hired in Canada, who are not members of the Union will be required, as a condition of employment, either to join the union and to continue as members thereof during their employment or, in the alternative, to tender to the Union one month's dues as well as the initiation fees as presently established and to pay subsequent monthly dues as required of Union members (and failure to pay arrears of monthly dues after thirty (30) days shall be a bar to further employment until such arrears are paid."

Article 9 – Stoppage of Work

(additional paragraph recommended)

9.2 "Failure of union members to cross a legal picket line will not be considered a breach of contract."

Article 25 – Overtime Record

As agreed, the parties recommend that present para 25.3 to become new 25.2 and present para 25.2 to become 25.3 with new para 25.4 "Where there is a question of disputed overtime the employee will be advised within fifteen (15) days of the date the payroll is submitted to the payroll office, together with the reason why such overtime was declined."

Article 27 – Annual Vacations

Recommend this Article be amended to provide –

(a) for an employee who has more than 30 days cumulative service but less than 12 months at the beginning of the calendar year – One vacation day for each 25 days worked.

(b) for an employee who has one year or more of cumulative service but less than 5 years at the beginning of the calendar year – 10 vacation days.

(c) for an employee who has 5 years or more of cumulative service but less than 18 years at the beginning of the calendar year – 15 vacation days.

(d) for an employee who has 18 years or more of cumulative service at the beginning of the calendar year – 20 vacation days.

Article 28 – Statutory Holidays

Recommend addition of one more day – namely Boxing Day – making a total of nine.

Article 33 – Subsistence and Room

As agreed, the parties recommend allowance in para 33.1 be increased to read $4.00 in place of the present $3.50. Recommend new clause 33.3 agreed by the parties as follows:

"When the vessel is in operation and subsistence and lodging is provided by the Company, the employees covered by this agreement shall pay the sum of one dollar and fifty cents ($1.50) per day for each such day that subsistence and lodging is provided.

At the end of each calendar year, employees shall be provided with a receipt covering all deductions made under this Article 33.3"

Article 34 – Laid Up Ships

Recommend that the following rates per hour be incorporated –

Effective Date	Rate per hour	Overtime Rate
May 1, 1969	3.41	5.11
May 1, 1970	3.78	5.67

Recommend a new clause reading 34.4 "When the ship is in drydock in the Greater Vancouver area, employees who are required to work thereon shall receive a travelling allowance of One Dollar ($1.00) for each day worked."

The parties have agreed on the following new article:

34.5 "(a) When the Company has more than one (1) employee of the unlicensed Deck Department personnel employed on any ship, the second crewman may be the bosun.

(b) When the Company has more than one (1) employee of the unlicensed Engineroom Department personnel employed on any ship, the second crewman may be the Engineroom Storekeeper."

Article 36 – Hours of Work and Overtime

The parties agreed on the following revised wording: 36.9 "When members of the unlicensed personnel in the deck department are required to clean bilges, oil spills or rose boxes which have been flooded with oil they shall be paid the rate specified below for actual time so occupied. If required to perform such work during overtime hours, they shall be paid on the basis of time and one half the overtime rate."

The Board recommends rates as follows:

Effective Date	Rater per hour
May 1, 1969	2.38
May 1, 1970	2.54

Article 40 – Dirty Money

A revised wording agreed on by the parties:

40.1 "Employees covered by this agreement shall be paid the rate as specified below when cleaning double-bottom water tanks, fish

oil tanks, cleaning or working inside boilers, working inside smoke stacks or in bilges below bottom deck plates, working in sealed void spaces, cleaning major oil spills or cleaning tank tops in engine room spaces only. Employees off watch shall be paid double the overtime rate when required to do this work. When employees are assigned to do this work, they will receive four (4) hours minimum payment for which four (4) hours work may be required."

The following rates are recommended for inclusion in this section:

Effective Date	Rate per hour
May 1, 1969	2.38
May 1, 1970	2.54

Article 41 – Marine Disaster

41.1 revised wording agreed on by the parties: "In case of shipwreck or disaster necessitating the abandoning of the ship, the crew shall be paid all wages as well as subsistence and provided with such suitable passenger accommodation as may be available back to Port of Vancouver, B.C. In the event of loss of personal effects the crew shall receive compensation in a sum not to exceed five hundred dollars ($500.00)."

Article 42 – Basic Rates of Pay and Overtime Rates

Recommend following rates be adopted:

Classification	May 1/69	Overtime Hrly. Rate	May 1, 1970	Overtime Hrly. Rate
Bosun	546.50	4.73	611.00	5.28
Able Seaman	504.50	4.36	569.00	4.92
Ordinary Seaman	497.50	4.30	562.00	4.86
Engineroom Storekeeper	546.50	4.73	611.00	5.28
Oiler	510.50	4.41	575.00	4.98
Fireman	504.50	4.36	569.00	4.92
Wiper	452.50	3.91	517.00	4.47

Article 44 – Termination of Agreement

The parties agreed on the following revision: 44.2 "This agreement, except as otherwise provided herein, shall become effective May 1, 1969, and shall remain in effect until April 30, 1971, and thereafter subject to ninety (90) days' notice in writing from either party thereto of its desire to revise, amend or terminate it, which notice may be served any time after February 1, 1971."

APPENDIX "A" (This is recommended for inclusion in place of Article 14 in the Agreement.)

"SAFE WORKING CONDITIONS"

" 1. The Company shall take every reasonable precaution to provide safe working conditions at all times.
2. Crew members will not be required to work aloft on masts, derricks, or king posts, while winches or cargo gear are being worked.
3. Working in holds into or from which cargo is being loaded or discharged shall be considered unsafe working conditions (men working or watching cargo shall not be included in this clause).
4. Hard hats shall be supplied to crew members working in areas where overhead work is being performed.
5. When air chisels, mechanical chippers or scaling tools are used, ear plugs and plastic face protectors shall be supplied.
6. Safety goggles shall be supplied to crewmen doing manual chipping or scaling.
7. Suitable sunglasses of a type selected by the employer to be supplied to quartermasters and lookouts.
8. When any of the items set out in Sections 4 to 7 above are supplied by the employer to any employee covered by this agreement, such employee shall wear same as a condition of employment."

APPENDIX "B" (This is recommended for inclusion in place of Article 19 in the Agreement)

"CREW EQUIPMENT"

The first ten items will be the first ten items now included under Article 19.1 Nos. (1) to (10). Item No. 11 will be the present 19.2.

"12. Electric water cooler to be installed on car deck.
13. Roller or paper towels to be installed in all washrooms used by crew members.
14. Suitable locker space to be provided on freight deck for crew members' work gear."

DATED at Vancouver, B.C. May 12, 1970.

(Sgd.) G.W. Rogers,
Chairman.

John Brown,
Member

Minority Report of Mr. Cosulich

With respect, I differ from the other members of the Board in the matter of wages. I believe there is adequate evidence to support the position that the movement in the maritime transportation industries is 10 per cent and 10 per cent for a two year contract.

DATED at Vancouver, May 13, 1970.

(Sgd.) Cecil S. Cosulich,
Member

Report of Board of Conciliation established to deal with dispute between:

Canadian National Steamship Company Limited

and

Canadian Merchant Service Guild

The Board was under the chairmanship of Roy A. Gallagher, Q.C. of Winnipeg. He was appointed by the Minister of Labour on the joint recommendation of the other two members of the Board, Cecil S. Cosulich and Charles Patrick Neale, both of Vancouver, who were previously appointed on the nomination of the company and union, respectively. The report was received by the Minister in May. The report was signed by Messrs. Gallagher and Neale, thereby constituting the majority report of the Board; Mr. Cosulich submitted a minority report on wages.

Meetings of the board with the parties were held at Vancouver, British Columbia, on the 23rd, 24th and 25th days of March, 1970.

To be able to understand the issues between the parties in this conciliation, one has to have a knowledge of the operation which is involved in this dispute.

The personnel involved are members of the Canadian Merchant Service Guild who are employed by Canadian National Steamship Company, Limited, and perform their functions on board the S.S. Prince George.

These personnel are all officers and consist of the Master of the vessel, mates and other deck officers, chief engineer and other engineering officers. They are 11 in number, and are responsible for a vessel of approximately 5,812 tons, which is some 350 feet long, 52 feet across the beam and with an/18-foot draft; the passengers which this ship generally carries: and the cargo carried from time to time.

The vessel is operated as a seasonal cruise ship from approximately the end of April to the middle or end of October in each year. Its schedule is to leave Vancouver travelling by one route to Skagway Alaska, and returning by a slightly different route to Vancouver, all in eight days.

On this journey, which takes eight days for the round trip, there are no lay-overs of more than a few hours. The vessel, on its return trip, arrives in Vancouver in the forenoon and departs again on the late evening of the same day.

During this season, as already described, the vessel completes approximately 25 to 27 round trips. Also, during these trips the vessel, its passengers, and the crew, are under the absolute command of the Master, and the deck officers, within the bargaining unit. The mechanical operation of the vessel, and all its ancillary equipment, are the responsibility of the Master and his engineering officers.

There can be no question that the responsibility imposed on the Master, his deck and engineering officers, in the operation of this vessel are of the highest order, involving as it does, among other things, the lives and safety of many passengers and many crew members, the safety of a large and costly vessel, and the safety of the cargo then being carried.

As can be seen from the foregoing, an officer who served on every round trip would have completed approximately one half year's service by the end of the season. Since the wage schedule for these officers is based on a monthly rate, this would mean that such officer would receive approximately a half-year's pay.

However, the analysis above does not accurately reflect the true situation. Paid annual vacation credits enter the picture, as well as paid leave on account of statutory holidays. In addition, when the ship is "laid up" (i.e. not performing the actual cruise ship function) many of the officers under consideration are placed on a "work by the laid-up vessel" status. As a result, it is safe to say that the average officer under consideration receives income from his employment for 10 to 12 months per year.

Many of the problems hereinafter dealt with find their source in the fact that the cruise operation is a continuous one, with no lay-over time to speak of, and immediate "turn-arounds" at both Skagway and Vancouver.

While the last agreement between the parties recognizes the principle of a 5-day, 40-hour work week, it is obvious that this becomes impossible to perform in the context of this vessel's operation. To grant two days off in each seven days would require a complement of staff, both officers, and others, which the physical capacity of the vessel could not logically support.

Even if the physical capacity of the vessel could support such a complement, one could question whether a day off when one is given no choice as to how he shall use such day off, would prove satisfactory to the officers involved.

As a result, it has been established in the agreement between the parties that an officer works seven days a week during the cruise season. On these days he works eight hours per day, and, if he works more than eight hours, he is paid for these additional hours at the penalty rate. In addition, the officer works a regular work day on the sixth and seven days and receives a day's pay for each: but, in addition, for the sixth and seventh day he receives an allowance towards a "bank" of accumulated leave credits of .4 per cent of a working day.

This credit is arrived at by dividing five regular working days into two usual days of weekly rest. Thus, in a period of 7 days at sea on a cruise, an officer banks 2.8 leave days, or, if one uses the 8-day cruise cycle, 3.2 leave days for each completed cruise.

These leave days, plus annual leave credits, plus statutory holiday leave days, plus "working by the laid-up vessel" enable the average officer to receive 10 months to 12 months of pay in any calendar year.

The situation is somewhat further confused by the fact the rates of pay established under the existing collective agreement are monthly rates. The employer bases his calculation of the daily rate of pay on a 30-day month, so that, for every day at sea during the cruise season, an officer receives 1/30th of a regular month's pay. In addition, he receives .4 of a day as a leave day for each day as a credit for the sixth or seventh day of a work week.

Then, when standing by the laid-up vessel, an officer works the normal 5-day 40-hour week with two days of weekly rest. For this he receives the equivalent of one-half month's pay, or, in other words, 15 days' pay at sea-time rates for 10 days of work and 4 rest days ashore.

With this brief, and not exhaustive, background between the parties, the board now turns to the several issues between them.

It is not the board's intention to deal with every individual request of the parties. It is our view that if certain major issues can be resolved, the parties should have no difficulty in reaching their own agreement. The board feels it would be valuable to the parties if they did so.

One of the major items in dispute is, of course, rates of pay, and some of the other items ancillary thereto are of major importance as well.

There is no need for the board to review in detail the positions of the parties on this point. Basically, the Guild requested an increase of $250 per month for its members spread over three stages, namely, September 1, 1969, (the commencement of the agreement), March 1, 1970 and September 1, 1970, on a two-year agreement.

The employer responded by offering the same increases that had been granted to the "non-Op" unions on the Canadian National Railways, namely, 61/2 per cent on September 1, 1969, and 61/2 per cent on September 1, 1970, or 13.42 per cent over a 2 year agreement.

As appears usual in these matters, each side takes the position that the other party's position on wages is ridiculous, and each party has submitted to the board extensive briefs, and supplementary documentation, to support its position.

The board has carefully read and considered all of this material, and does not intend to review the same here.

The board recommends that the parties

(a) enter into an agreement for a two-year period effective from September 1, 1969, and

(b) that the rates of wages under such agreement be established by revising the existing rates of pay, which in our view are not adequate to the responsibilities of the members of the bargaining unit, so that the end result will be as follows:

	Rate as at Sept. 1, 1969.	Revised Rate as at Sept. 1, 1969.	Effective Rate as at Sept. 1, 1969.	Effective Rate as at Sept. 1, 1970.
Master	954.	1000.	1050.	1160.
Chief Officer	678.	702.	750.	825.
2nd Officer	619.	641.	685.	755.
3rd Officer	593.	615.	655.	725.
4th Officer	547.	567.	605.	665.
Chief Engineer	866.	900.	960.	1060.
2nd Engineer	678.	702.	750.	825.
3rd Engineer	619.	641.	685.	755.
4th Engineer	593.	615.	655.	725.
JR. Engineer	547.	567.	605.	665.

This board does not feel that justification has been established for changing the manner of accumulating leave days when an officer works the sixth and seventh day of a week while at sea.

In our view, the above wage increases will substantially increase the rate of pay paid to an officer on the .4 basis, and that to impose an additional financial burden on the employer at this time, would not be just or equitable under all the circumstances.

Also, in our view, there is no justification at this time for the Guild's request that overtime hourly rates be derived by dividing monthly rates of pay by 152 hours rather than 174 hours as at present.

We are satisfied that the principle of the 40-hour work week is a reasonable one at this time, and, further, are satisfied that the reasonable wage increases recommended by this board remove the need to adjust the present system as requested.

The Guild requested that the Master and chief engineer should receive a flat rate of $100 per month in lieu of overtime.

This board frankly is in favour of this request — so long as it is confined to the cruise season. In the Board's view the Master of this vessel holds a very high and onerous responsibility. He is, in every respect, management's complete representative so far as the operation of this vessel is concerned. He must be a skilled, careful mariner, fully cognizant of life at sea and the innumerable regulations, rules and orders of ship's life. He must be a man who merits the respect of his juniors; yet, at the same time, a person who can, and must, act as a public relations officer for his employer. Dedication to his task is the essential quality — and one which is not measured in hours or portions of hours.

The Chief Engineer, from another point of view, performs equally onerous functions. Dedication to his task is again the key. It is the board's recommendation that both the Master and chief engineer, while at sea, should receive the allowance requested by the Guild.

At the present time, when a vessel is laid-up and officers are working by the laid-up vessel, but living ashore, they receive a subsistence allowance of $4 per day. This is to compensate them for the fact that they are really hired to perform their functions at sea at which time they are provided with room and board.

The Guild has requested that the figure of $4 per day be increased to $6.25 per day, apparently on a seven day per week basis since officers serve on that basis. The employer countered with $5.00 per day and it appeared that if this was based on seven days per week while the vessel was laid up it would be satisfactory to the Guild.

The board recommends that the subsistence allowance for officers be changed to $5 per day based on seven days per week while the vessel is laid up.

The Guild requested a provision to the effect that refusal to pass through or work behind a picket line which has not been found to be illegal shall not be construed as a violation of the agreement. Apparently the Guild's chief source of concern is the danger which its members might possibly face if they were required to pass through a picket line where there was a real and founded belief that violence would result.

The employer, on the other hand, while recognizing the danger which could flow from such situation, is quick to point out that such a provision would be a weapon in the Guild's hands during the closed period of the agreement.

The Board appreciates the positions of both parties. However, the board accepts the employer's statement, both written and oral, that it recognizes and appreciates that none of its employees should be expected to cross a picket line or work behind such a line when a real possibility of violence is involved.

The Board, accepting such assurance by the employer, recommends that no change be made to the agreement in this area.

The Guild requested that the provision for overtime be amended with respect to off-duty officers who perform additional work. At present such officers are guaranteed a one hour minimum payment, and, if they work past the hour, overtime accrues in 15-minute increments. The Guild suggested that overtime accrue in half hour increments. The Company, at negotiations, agreed to this proposal. The Board so recommends.

Under Article 6.6 of the collective agreement, an off-watch officer called to relieve the watch officer for the evening meal receives one-half hour's pay at the overtime rate. The Guild wishes to have this increased to one hour, and the employer countered by offering 45 minutes.

The board is of the opinion, and recommends, that the employer's offer of 45 minutes should be implemented. This will mean that the off-duty officer will receive 11/2 hours' pay for 45 minutes of relief work.

The employer made one request of the Guild at negotiations, namely, to delete Article 26 of the current agreement between the parties.

Article 26 provides that if non-operating employees of the railway receive any additional statutory holidays, annual vacation benefits, health and welfare benefits, and/or severance benefits, the same will be extended to the Guild at the same time.

The employer submits that this Article is unnecessary in that the collective agreement has articles dealing with each of the above matters specifically.

The Guild did not really make any submission to the Board on this point.

It is the Board's view that Article 26 is unnecessary and that the provisions of the collective agreement adequately protect the areas referred to in Article 26.

The Board therefore recommends that Article 26 of the agreement be deleted.

DATED at Vancouver, May 13, 1970.

(Sgd.) R.A. Gallagher,
Chairman.

C.D. Neale,
Member.

Minority Report of Mr. Cosulich

With respect, I differ from the other members of the Board in the matter of wages. I believe there is adequate evidence to support the position that the movement in the maritime transportation industries is 10 per cent and 10 per cent for a two year contract.

DATED at Vancouver, May 13, 1970.

(Sgd.) Cecil S. Cosulich,
Member.

Report of Board of Conciliation established to deal with dispute between:

Canadian Pacific Railway Company (B.C. Coast Steamship Service)

and

Seafarers' International Union of Canada

The Board was under the chairmanship of R.G. Clements of Vancouver. He was appointed by the Minister on the joint recommendation of the other two members of the Board, Cecil S. Cosulich and A.A. Medley, both of Vancouver, who were previously appointed on the nomination of the company and union, respectively. The report was received by the Minister of Labour in May. Messrs. Clements and Medley signed the report which constitutes the majority report of the Board; Mr. Cosulich submitted a minority report on wages.

The Board held open sittings in the City of Vancouver on April 7 and 9, 1970.

The Union and the Company are parties to a collective agreement which by its terms expired on Oct. 31, 1969. Both parties submitted proposals to amend and renew the Agreement and although there was either complete or conditional agreement reached on many of the proposals, no agreement seemed possible on the matter of wages so it becomes necessary for this Board to make recommendations on all the matters submitted to it as being in dispute. The section numbers used in this report were used by the parties in their presentations and relate to the recently expired collective agreement.

RECOMMENDATIONS

ARTICLE 1

Section 1 Union Recognition and Employment

(b) As in present Agreement.

(f) Add "The union agrees that the Company has the right to have all personnel medically examined for fitness. Such examinations shall be at the expense of the Company."

(g) The Union request is not granted.

Section 2 Union Security

The Parties agreed to the wording proposed by the Union.

Section 8 Discrimination

Union agreed to delete its request.

Section 9 Stoppage of work

Add as 9(b):

(b) "Failure of employees to cross a legally established picket line will not be considered a breach of contract."

Section 14 Safe Working Conditions

(d), (e), (f) Company agreed to Union proposals.

(g) "Suitable tinted windowshades to be installed in all wheelhouses." (Agreed)

Section 16 Transfer and Travelling Time

(a) No change from present wording. (Agreed)

(b) Company agreed to Union's proposal.

(c) The Union asked for the addition of this sentence to the present clause:

"this clause shall also apply to unlicensed employees working on laid-up ships."

This was agreed to on the basis that an allowance of $5 would be made to deck and engineroom ratings to defray the cost of two meals, one when they travel from Victoria to Vancouver and the other when returning from Vancouver to Victoria, when assigned to laid-up ships. This payment is in addition to their fare which is provided by the Company.

Section 19 Crew Equipment

(a) 10 The Company agreed to the Union's request as regards the Princess of Vancouver, Trailer Princess and Princess Patricia and undertook to endeavour to improve the present facilities on the Princess Marguerite.

11 Automatic toasters. Company agreed to Union's request.

12 Repair and Replacement of Equipment. Company agreed to Union's request.

Section 20 Crew's Quarters

(e) Company agreed to clause proposed by Union.

Section 29 Uniforms

"Employees in the deck Department who are required to wear uniforms will be provided by the Company with two shirts and one cap in the month of May and two shirts and one pair of coveralls in December free of charge. These items to remain the property of the Company." (Agreed)

Section 31 Overtime Record

(b) "After authorized overtime has been worked the officer in charge shall certify the overtime by signing the overtime sheet. If overtime is disputed, the Officer in charge must sign the sheet and mark it "disputed", giving his reasons for disputing the time submitted. One (1) copy of the overtime record shall be returned to the employee without delay." (Agreed)

(c) No change from present agreement.

ARTICLE 2

Section 1

(b) Change 'twelve years' in present agreement to 'five' years'.

(c) Change 'twelve' in first line of present agreement to 'five'.

(d) Change the word 'twenty-two' in the first line of the clause in present agreement to 'eighteen'.

No changes to other clauses in this section.

Section 2

(a) Add Boxing day to the named Statutory holidays and change the word 'eight' to 'nine' in the first line.

(b) As in present agreement.

Section 3 Sailing Shorthanded

Substitute the following for the existing section:

"In the event of any ship sailing shorthanded, wages that would otherwise be paid to the members who are absent shall be paid to the crew members in the particular department affected until such time as the vessel's crew is completed, or in the alternative, overtime shall be paid for additional time worked by crew members when performing duties of those crew members shorthanded, whichever is the greater, but in no event both."

Section 5 Night Meals and Coffee Time

Add the following sentence:

"Night lunches shall be supplied to all employees covered by this Agreement on ships on Articles." (Agreed)

Section 6 Coffee Time

As in present Agreement. (Agreed)

Section 7 Meals in Port

(b) The parties agreed to this wording:

"If meals are not provided to the unlicensed deck and engineroom ratings when the vessel is in operation, such employees when working on the vessel shall be granted a (meal) allowance of $6.00 per day in lieu of meals.

Section 8 Laid-up Ships

(a) The parties agreed that the rates of pay on laid-up ships be adjusted on the same percentage basis as that of the unlicensed deck and engineroom personnel on ships in service.

(d) "Where crew members on laid-up ships are required to work a 6th or 7th day in the work week, they shall be paid at the overtime rate". (Note: For clarity perhaps this should be an addition to the present cl. (d).)

(e) The present agreement recognizes that the hourly rates of pay in sub-section (a) hereof 'compensates the employees for weekly leave and room and board'. In view of increases granted in such allowances elsewhere in this report there should be an allowance of $2.00 per day to employees covered by this Section where subsistence is not provided.

(f) This is covered by the agreed upon change to Article 1, Section 16 (c).

(g) Unlicensed Engineroom Employees shall be required, except when such work is carried out in the shipyards by the shipyard workers, to clean, chip and paint the inside of boilers." (Agreed)

Section 9 Maintenance Work

No change from present agreement.

Section 11 Weekly leave

No change from present agreement.

Section 12 Working Cargo

(a) The parties agreed that the present rate of $1.36 should be increased by the same percentage as that applying to the basic rates of pay.

(b) This was resolved by a letter dated April 8, 1970 from the Company to the Union.

Section 13 Special Commodities

Resolved by the Letter in 12(b) above.

Section 14 Dirty Money

Amend this section by adding to the list of duties affected "cleaning exhaust ports of internal combustion engines" and by adjusting the penalty rates on the same percentage basis as the increase in basic wage rates.

Section 15 Marine Disaster

The amount of compensation provided in this section to be increased from $400 to $500.

Add as (b):

(b) "An employee or his estate making a claim under this section shall submit reasonable proof to the Company of the actual value of the loss suffered. Such proof shall be a signed affidavit listing the individual items and values claimed."

ARTICLE 3

Wages and Overtime

The present wage rates should be increased as follows:

Effective Nov. 1, 1969 – by $40 per mo.

Effective July 1, 1970 – by a further $40 per mo.

Effective March 1, 1971 – by a further $50 per mo. and the overtime rates increased proportionately.

(Note: At the last open sitting of the Board, the question was asked as what would be the minimum settlement figures. We feel that our recommendations meet those requirements.)

ARTICLE 4

Section 1 Duties of Bos'n, A. B. and O.S.

No change from Present Agreement.

Section 2 Relieving helmsman

Amend this section to read:

"No deck Officer shall relieve the helmsman except (1) in an emergency and (2) for coffee time and meal time on the "Trailer Princess". Soogeeing, chipping, painting, etc. shall not be considered an emergency. (Agreed to by the parties)

Section 4 Cleaning Bilges and Rose Boxes

Increase rates by same percentage as in basic wage rates.

Section 5 Securing Cargo

In the light of the Company's letter to the Union of April 8, 1970, this Section is not necessary and should be deleted.

ARTICLE 5

Section 1 Engine Room Department

This was resolved by the Company agreeing to have an outside laundry contractor provide one pair of clean coveralls weekly.

Section 2 Taking on Fresh Water

No change from present agreement.

Termination Clause

To provide for a two-year agreement, effective November 1, 1969.

Letter of Understanding

A. The Company to give a letter to the effect that crew members will not have to sign on Articles until 24 hours prior to the scheduled sailing date on the cruise vessels "Princess Patricia" and "Princess Marguerite".

B. The Company to give an undertaking by letter that the Union will be given sixty (60) days notice in advance of any contemplated reductions in unlicensed Deck and Engineroom Departments other than those resulting from changes in schedules or from non-scheduled interruptions in service.

DATED at Vancouver, May 7, 1970.

(Sgd.) R.G. Clements,
Chairman,

A.A. Medley,
Member.

Minority Report of C.S. Cosulich

With respect, I differ from the other members of the Board in the matter of wages. I believe there is adequate evidence to support the position that the movement in the maritime transportation industries is 10 per cent and 10 per cent for a two year contract.

DATED at Vancouver, May 13, 1970.

(Sgd.) Cecil S. Cosulich,
Member.

Report of Board of Conciliation established to deal with dispute between:

Pacific Western Airlines Limited

and

Canadian Air Line Flight Attendants' Association

The Board was under the chairmanship of Dr. Noel A. Hall of Vancouver. He was appointed by the Minister of Labour in the absence of a joint recommendation from the other two members of the Board, David Edward Hewitt of Burnaby and Grant MacNeil of North Vancouver, who were previously appointed on the nomination of the company and union, respectively. The report was received by the Minister in March. Mr. Hall and Mr. Hewitt signed the report which constitutes the majority report of the Board; a minority report was submitted by Mr. MacNeil.

The Board was appointed pursuant to the Industrial Relations and Disputes Investigation Act following unsuccessful attempts by Mr. R. Nat Gray, Senior Mediator to bring about an agreement between the parties for a new collective agreement to replace one which expired on August 31, 1969.

The parties agreed that the Board was properly constituted under the Act and that the time for filing the Board's report be extended to allow ample opportunity for considering the matters in dispute.

The Board held hearings on February 12, 1970 in the offices of the Department of Labour, 900 West Hastings Street in the City of Vancouver to hear submissions from the parties. The Board met on subsequent occasions to consider the submissions of the parties in an endeavour to bring about a settlement of the dispute. We are of the opinion that the following recommendations, together with those matters agreed to by the parties, will provide the basis for a new collective agreement.

1. The General Wage Issue:

Rates of pay are based on a minimum monthly salary, varying with the length of service as a flight attendant, together with an "hourly excess flying time rate" for duty time beyond defined minimums. The rate structure is further complicated by the fact that the defined minimum flying hours beyond which the hourly rate applies are not common throughout the Employer's operations. For example, the Western Operations of the Employer work to a 65-hour minimum for both propeller and jet aircrafts; Northern Operations operate on a 65-hour minimum for jet aircraft but 70-hours for propeller aircraft; and overseas operations are at 70 hours for the 707 jet and 65 hours for the 737 jet.

To complicate matters further the monthly guarantee is converted to an hourly rate not by dividing the number of monthly hours appropriate to the aircraft type or area of operations but rather, by a constant 70-hours.

The parties are in substantial agreement that all operations should be converted to a 65-hour per month minimum at which level the minimum monthly salary would be paid and further, that the conversion of monthly salary to hourly equivalents should be based upon 65 hours, rather than the present 70 hours.

The Board has spent a great deal of time finding a basis for conversion that would be fair to the employees involved and that would at the same time not impose an undue burden upon the Employer. We are of the opinion that the following recommendations will accomplish the measure of rationalization that both parties appear to desire with a minimum of complication.

(a) Retroactive Pay:
That each employee receive eight per cent gross earnings for the period from September 1, 1969 to the date of signing a new agreement.

(b) That for the period commencing with the signing of a new agreement and continuing to August 31, 1970, monthly guarantees and excess hourly flying time rates each be increased by eight per cent and further, that during this period no change be made in the present monthly minimum hours guarantees.

(c) That effective September 1, 1970 the excess hourly flying time rates in effect on August 31st, 1970 be increased by an additional 15 per cent.
That effective September 1, 1970 all monthly minimum hours guarantees be placed on a 65-hour basis.
That effective September 1, 1970 the minimum monthly salary will be determined by multiplying the then effective hourly rate by 65 hours.

2. One-in-Four Credits for Overseas Operations:
The bargaining agent requests that the present arrangement for converting hours away from home to flight time used in domestic operations be extended to cover overseas operations. On domestic operations, a flight attendant receives one hours flying credit for each four hours away from home, but there is no such provision for overseas operations.
The Board notes that the employer's present overseas operations are entirely charter services, which of necessity involves extensive lay-overs away from home.
The Board recommends that if the employer should introduce scheduled overseas operations the same provisions regarding flight time should apply as presently apply to domestic operations; but that such provisions should not apply to overseas charter operations.

3. Pregnancy Leave:
That the parties enter into a letter of understanding similar in form and content to that contained in the agreement between Air Canada and the bargaining agent, dated October 25, 1966, detailed as item 2, Leave of Absence for Maternity on page 44 of the current agreement between Air Canada and the bargaining agent.

4. 75-Hour Jet Limitation:
The Bargaining Agent requests that the present monthly limitarion of 80 hours per month on jet aircraft be reduced to 75 hours per month.
The Board recommends that no change be made in the current agreement on this matter.

5. Special Cab Provision:
The Bargaining Agent requests that any flight attendant called four hours or less prior to flight departure be provided with a special cab, the Company's contribution to the cost of the cab to be limited to the cost of a cab between the airport and the downtown passenger terminal.
The Board recommends that this request not be granted.

6. Reporting Time:
The present agreement requires flight attendants to commence their on-duty period as follows:
Domestic Operations: One hour before flight departure
Overseas Operations — Flying Out of Canada: One and one-half before flight departure.
Overseas Operations: Either one hour before flight departure or the required reporting time.
The bargaining agent argues that this latter provision (which normally means two hours) is excessive and requests that it be reduced to one hour before flight departure by deleting the phrase "or the required reporting time."
The Board must be mindful of the fact that the Employer's overseas operations are charter services that may well require a longer on-duty period prior to flight departure than scheduled operations would require. We are also mindful of the annoyance experienced by flight attendants called on duty excessively early.
The Board is not prepared to reduce the on-duty period as requested, but we do recommend that the Employer instruct the appropriate operating personnel to ensure that when the on-duty period is to be greater than one hour, that it be clearly required by the circumstances of the operations.

7. Term of the Agreement: That the effective dates of the agreement be from September 1, 1969 to August 31, 1971.

8. The Board wishes to point out that its recommendation calls for substantial wage increases, although it falls short of the bargaining agent's request for parity with Air Canada. The effect of our recommendation is to move P.W.A. flight attendants wages to within 10 per cent of Air Canada, combined with a reduction of the monthly minimum hours guarantee within the contract period. In short, our recommendation achieves parity with Air Canada on monthly hours guarantees and reduces the wage disparity by approximately 21/2 — 3 per cent.
Essentially the employer is a regional carrier with limited overseas charter operations. In view of the dissimilar nature of the employer's operations compared with Air Canada, particularly in terms of routes flown and the wide disparity in size of operations, we are of the opinion that our recommendation is a fair and reasonable one in the circumstances. In the course of time, these circumstances may change, but it would be quite irresponsible for the Board to impose a further 10 per cent wage increase (necessary to achieve parity) on the employer at this time in view of what is already an expensive wage recommendation.

DATED at Vancouver, March 10, 1970.

(Sgd.) Noel Hall,
Chairman

David E. Hewitt,
Member.

Minority Report of C.G. MacNeil

Upon consideration of the evidence heard by the conciliation board appointed to deal with the dispute, I beg to report that I am not in agreement with certain recommendations made in the majority report.
I, therefore, recommend:

1. Rates of Pay
that monthly guarantees and excess hourly flying time rates for the employees represented in this dispute be increased to establish parity with salaries paid Air Canada and C.P.A. employees performing comparable work under similar conditions as detailed in Air Canada Flight Attendants' agreement, expiring May 31, 1971.

The circumstances no longer justify any "built-in" salary differential which has held P.W.A. constantly at a salary level approximately 10 per cent lower than Air Canada and C.P.A. Flight Attendants. In effect, the maintenance of such a differential provides the Company with a competitive advantage at the expense of employees.

It may be expected that upon renewal of the Air Canada and C.P.A. agreements in 1971, the discrimination will become more pronounced before renewal of the P.W.A. agreement. Eventually, the essential justice of the proposal for parity will be recognized as in the case of the International Association of Machinists. The terms of the majority report offer no hope of the required adjustment to parity in the future. Rather, it serves to crystallize the differential in perpetuity.

In my opinion, the company is well able to phase salary increases upward as proposed, and thus improve morale as well as provide a genuine incentive for the highest possible standard of service for its patrons.

2. One-in-four Credits

That Flight Attendants on overseas operations be given one hour's flying time credit for every four hours of any compulsory lay-over while abroad, as now awarded in domestic operations.

In my opinion, the employees flying overseas should not be penalized unduly for lay-overs awaiting a return flight, and which are a Company responsibility.

3. Maximum Flight Time

That maximum flight time on all jet equipment be reduced to 75 hours per month.

The proposed limitation conforms to the Association's agreement with Air Canada and C.P.A. and yields a wider safety margin by reducing exposure to jet fatigue.

4. Special Cab

That a Flight Attendant called four hours or less prior to flight departure be provided with a special cab, the Company's contribution to the cost of the cab to be no more than the cost of a special cab between the Airport and the Passenger Terminal.

Adoption of this recommendation will be in accord with the present practice of Air Canada and C.P.A. for employees called for duty upon short notice.

5. Reporting Time

That Flight Attendants be required to commence their on-duty time one hour prior to flight departure.

This rule is now in force for domestic operations. The evidence did not disclose any concrete reason for exceptions on other operations. The present contract language "or the required reporting time" opens the door to abuses from which the employees should be fully protected.

Pregnancy Leave

I heartily agree with the recommendation of the majority respecting maternity leave.

DATED at Vancouver, March 19, 1970.

(Sgd.) C.G. MacNeil,
Member.

Reasons for Judgment in Application for Certification affecting

Canadian Wire Service Guild, Local 213 of the American Newspaper Guild, (Applicant)

and

Canadian Broadcasting Corporation, (Respondent)

and

Association of Radio and Television Employees of Canada, (Intervener).

The Board consisted of A.H. Brown, Chairman, and E.R. Complin, J.A. D'Aoust, A.J. Hills, Gerard Picard and R.C. Smith, Members.

The Judgment of the Board was delivered by the Chairman.

Reasons for Judgment

1. These are three separate applications whereby the Applicant applies to be certified as bargaining agent for three separate regional units of employees of the Respondent described in the respective applications for certification as follows: —
   (1) "All employees on the 'confidential' staff of the CBC Ottawa regional office excluding secretaries to department heads";
   (2) "all employees on the 'confidential' staff of the CBC Newfoundland regional office excluding secretaries to department heads"; and
   (3) "all employees on the 'confidential' staff of the CBC Toronto regional office excluding secretaries to department heads".

2. The Intervener is the certified bargaining agent for a system-wide unit of employees of the Respondent which is comprised in the main of employees in clerical classifications in its offices including all regional office employees in these classifications under an order of certification issued by this Board under date of June 25, 1953. The unit includes also a number of other employees in miscellaneous classifications. The Intervener and the Respondent have been parties to successive collective agreements following upon such certification covering these classifications of employees, the most recent of which is a collective agreement which runs for a term of two years from April 1, 1968. This agreement covers all classifications of employees in the unit as defined in the Board's order of certification subject to such amendments thereto as have been

and may be agreed to by the parties to the agreement including any person employed in any job or classification created in the future which the said parties agree to include in the unit. The agreement provides also that when mutual consent is not reached on such new or revised classifications the matter may be referred to this Board by either party for decision.

3. The employees in each of the proposed regional units for which the Applicant seeks certification are persons at present excluded from the bargaining unit covered by the existing collective agreement between the Intervener and the Respondent by reason of their employment in a confidential capacity in matters relating to labour relations. These exclusions are based upon the exclusions from the unit as set forth in the aforesaid 1953 order of certification as revised from time to time thereafter by agreement between the parties or on reference to the Board.

4. The Applicant submits that none of the employees in the proposed regional bargaining units for which it seeks certification is now employed in a confidential capacity in matters relating to labour relations and claims that a majority of the employees in each such unit are members in good standing of the Applicant, and have thus signified their desire to bargain as a unit separate and apart from other employees in the regional office in which they are employed.

5. The Intervener submits that the employees in each of the proposed regional bargaining units fall within job classifications of clerical employees which the Intervener now represents as bargaining agent or perform functions similar to those performed by employees in these classifications and consequently, if the individual employees in the said proposed regional bargaining units are now held by the Board upon evidence as to the nature of their duties to be employees within the meaning of the Industrial Relations and Disputes Investigation Act, they fall within the scope of the bargaining unit which the Intervener represents as bargaining agent. The Intervener submits further that the groups of employees in question do not, in any event, constitute appropriate units for collective bargaining separate and apart from other employees in the same or similar clerical classifications in the system wide unit which the Intervener represents.

   The Respondent submits and in the opinion of the Board has established by evidence given at the hearing that the employees in the proposed units fall within job classifications of clerical employees which are included in the unit which the Intervener now represents or which are of a similar nature. The Respondent submits that, in any event, the proposed units are inappropriate for collective bargaining in that they include only a portion of the employees performing the same or substantially the same type of work in the same regional office and in other offices of the Respondent in its national system. The Respondent submits that the persons in the proposed regional units as these persons have been individually identified in particulars furnished the Board by the Applicant are employed in a confidential capacity in matters relating to labour relations but if the Board should determine on evidence that these employees or some of them are not now employed in a confidential capacity such employees would fall within the system wide unit of clerical employees represented by the Intervener as bargaining agent.

6. The Board is satisfied on the evidence that the employees in each proposed regional bargaining unit for which the Applicant seeks certification perform the same or substantially the same type of work as that performed by other clerical employees in the same regional office who are in the bargaining unit which the Intervener represents. Even if the Board were to find on a consideration of the evidence relating to the duties of the individual employees in the said unit that all of these employees are not presently employed in a confidential capacity in matters relating to labour relations, the Applicant has not satisfied the Board that at this time these employees constitute an appropriate bargaining unit separate and apart from other clerical employees in the same regional office in which employed and who fall within the established system wide bargaining unit of clerical employees which the Intervener represents.

   The applications for certification are rejected accordingly.

DATED at Ottawa, May 5, 1970.

(Sgd.) A.H. Brown
Chairman for the Board

CLRB Reasons for Judgment In Application for Certification Affecting:

Letter Carriers' Union of Canada (applicant)

and

Jessiman Bros. Cartage Ltd., St James, Manitoba (respondent)

The Board consisted of J.J. Quinlan, Q.C., Vice-Chairman and Acting Chairman, and E.R. Complin, J.A. D'Aoust, A.J. Hills, Gerard Picard, and R.C. Smith, Members. The Judgment of the Board was delivered by the Vice-Chairman.

Reasons for Judgment

In April 1967 the Applicant applied for certification as the bargaining agent for certain drivers employed in mail transportation for the Respondent in Winnipeg, Manitoba (Case 7-66-1947). In July 1967 the application was rejected "for the reason that the applicant's constitution does not permit the employees affected to be members of the applicant".

On July 30, 1969, the Applicant applied for certification as the bargaining agent for truck drivers of the Respondent handling all mail matter for the Post Office in Metropolitan Winnipeg. The Respondent opposed the application. Under date of September 12, 1969, the Chief Executive Officer of the Board advised the parties by Registered notice in part as follows:

> "In the contestation of the above-cited application for certification there is a serious question raised as to the validity of the purported amendment of the applicant's Constitution which, according to the evidence submitted, was taken by the National Council of the Letter Carriers' Union of Canada upon the basis of a referendum vote and under the purported authority of Section 6 of Article VIII of the Constitution.
>
> In view of this the application is being set down for a hearing in order that evidence and argument on this and other issues raised may be properly presented to and dealt with by the Board."

In a letter of September 18, 1969, in reply to a letter of September 16 from Counsel for the Respondent, the Chief Executive Officer advised that the hearing was not restricted to the question of the validity of the purported amendment to the Applicant's Constitution. Subsequently, the date for the hearing was fixed for November 17, 1969, in Ottawa.

On October 6, 1969, however, Counsel for the Applicant wrote the Chief Executive Officer of the Board in part as follows:

> "I have considered the position of the Union in connection with the above matter. I recognize the fact that the Union amended the Constitution in a manner that had not been contemplated by the Constitution. On the other hand, I have been advised that a few days after the certification application was filed the regularly constituted National Convention of the LCUC approved, ratified, and confirmed the amendment. It is strongly arguable, therefore, that notwithstanding the procedure adopted under the amendment as a result of the referendum ballot the amendment was subsequently regularized. It seems to me, however, that it would be unfortunate to have the outcome of this matter turn on a technical argument of this kind. It is surely much more important that this application should be decided on the merits.
>
> In the circumstances, therefore, I have been instructed by the Letter Carriers' Union of Canada to withdraw the application for certification and, on behalf of the LCUC, I do hereby request the Board for leave to withdraw. At the same time, I do hereby request the Board to recognize the fact that the reason for the withdrawal is based upon a technical error and I do, therefore, ask the Board to relieve the Letter Carriers' Union of Canada from the necessity of having to defer another application for a period of six months. The LCUC is in a position to proceed almost immediately to file a new application for certification. The interests of the Employer will not be affected in any way by the Union applying for certification on a fresh application."

He was advised that his request would be placed before the Board for its consideration. A copy of his letter was forwarded to Counsel for the Respondent with the advice that if the Respondent had any representations it desired to place before the Board, it should do so by October 17. On October 15, Counsel for the Respondent replied in part as follows:

> "Our client has no objection to the Letter Carriers' Union withdrawing their application for certification, on the distinct understanding that the Applicant Union is precluded from filing another application for certification for a period of six months.
>
> We note that Mr. Wright contends that the withdrawal has been requested upon the basis of a technical error. We do not subscribe to his assertion in this regard. As you are aware, at an earlier date this Union filed an application for certification attempting to certify certain employees of Jessiman Bros. Cartage Ltd. After a hearing before the Canada Labour Relations Board the application was dismissed on the grounds that the Applicant Union, by virtue of its constitution, did not have the jurisdiction to seek certification.
>
> Despite this ruling by the Board the Union again attempted in an irregular manner to facilitate certification. Our client has been put to the expense of again contesting an application which is now conceded by Counsel for the Letter Carriers' Union to have been an improper application.
>
> In addition to the above-noted the question of timeliness must be considered. Therefore, our client strongly takes the position that, if the Letter Carriers' Union wishes to withdraw, they should withdraw on condition that their further application is precluded for a period of six months.
>
> An attempt has not been made here to fully set forth in detail the reasons for our client's position in this regard. Our client is prepared, if necessary, to argue this matter before the Board. It would appear that there is no justification for Counsel for the Letter Carriers' Union to request your Board to relieve the applicant from a deferral for a period of six months. Surely this is a clear case where the Union should be prepared to accept the consequence of its application which it should have known was in improper form at the time of filing."

A copy of this letter was forwarded to Counsel for the Applicant who replied on October 21 in part as follows:

> ". . . I ask the Board to disregard the conditions which Mr. Martin suggests the Board to adopt.
>
> I can understand an employer attempting to 'freeze out' a union for a period of six months when the union's application has been dismissed by the Board after a hearing or when a

union has forced an employer to come to Ottawa to argue against the union's application. It seems to me, however, as if the employer is over anxious in his urging in this matter when he asks for the same kind of treatment even though he has not been brought to Ottawa. The amount of trouble that the employer or counsel for the employer has been put to in this matter has been quite minimal and, to be perfectly frank about it, has consisted of nothing much more than the filing of a written statement. I do not think that this type of inconvenience warrants depriving employees for a period of six months of their rights under the Industrial Relations and Disputes Investigation Act.

In short, I submit respectfully that the employer is over-reaching himself in this case. I ask the Board to recognize the fact that the Union has seen fit to withdraw this matter before the employer would be seriously inconvenienced or financially burdened and that this attitude by the Union should not be rebuffed by the same type of treatment as they would have received if the employer had been dragged to Ottawa and the Union's application dismissed. I submit that such treatment would be harsh and unfair.

I would appreciate it greatly if this letter were placed before the Board when this matter is being considered."

On October 22, 1969, the Chief Executive Officer informed Counsel for the parties by letter that the Board having considered the representations of the parties, had granted the Applicant permission to withdraw the application for certification and imposed no restriction as to the date on which a further application for certification might be filed. On November 4 Counsel for the Respondent replied by letter reading in part as follows:

"The purpose of this letter is to clarify our client's position concerning this matter.

In simple terms we assert, with all due deference, that the Canada Labour Relations Board has no authority to over-ride the statutory prohibition above-stated (Section 8 of the Rules of Procedure of the Board). The Board, in the event of an application being refused, has no authority to entertain any further application by the applicant for certification in respect of the same unit of employees until a period of six months has elapsed following the date of the decision. This portion of the regulation is clear and unequivocal. The Board reserves unto itself the right in the special circumstance of a technical error or omission, to provide special leave.

In the instant case, the writer, as Counsel for Jessiman Bros. Cartage Ltd., did not consent to the withdrawal of the application, and made it abundantly clear that an agreement to the request of the application would only occur in the event that the prohibition period became operative.

Thus, we were prepared, and still are prepared, to argue the case as presented by the applicant union in the anticipation that the Board will reject the application on jurisdictional grounds. The Board has no right to unilaterally, at the request of one party, permit the withdrawal of the application. This was made clear in your letter under date of October 8, 1969, and Mr. M.W. Wright's letter of October 6, 1969.

Furthermore, in our letter of October 15, 1969, the writer requested the right to speak to this question before the Board on the ground that the contention a 'technical error or omission' in connection with the application for certification could not be sustained as a fact in the instant case.

By the Board purporting to exercise its jurisdiction and holding that, in its opinion, the prior application was rejected on account of the technical error or omission, without providing Counsel for the employer the opportunity to argue the facts of this case, constitutes a denial of natural justice. The Board's authority to lift the bar is limited clearly to circumstances which can be sustained on the factual premise of technical error or omission.

The Board has no legal right under the prevailing statutory enactment to permit the withdrawal of this application without the consent of the employer. The option available to the Board is to either reject the application or grant certification.

Thus, for the sake of clarifying the employer's position in this regard, with the utmost respect to your Board we want the record to clearly show at this time that if another application for certification is accepted by your Board under the prevailing circumstances and facts, the legal right of your Board to process this application will be challenged in the appropriate manner."

On December 29, 1969, the Applicant submitted a new application for certification of employees of the Respondent handling mail matter for the Winnipeg Post Office. The Respondent contested the application and submitted inter alia that the Board had contravened its Rules of Procedure by entertaining the application at this time and without admitting the Board's right to order a hearing, requested a hearing on this and other points before disposition of the application. A hearing was accordingly fixed for April 14, 1970, and in a letter of April 10 Counsel for the Respondent, in reply to a letter from the Chief Executive Officer, wrote to the Board setting out the basis of argument on this point, the letter reading in part as follows:

"In order to clarify the matters raised by you in the above-noted communication, we comment as follows:

Counsel for the respondent will argue before the Canada Labour Relations Board that:

(i) The Board breached Rule 8 of its Rules of Procedure in processing the application filed by the applicant under date of December 29, 1969.

(ii) The Board breached its Rules of Procedure as evidenced by Rule 9(1) in its disposition of the application for certification filed by the applicant under date of July 30, 1969.

The respondent requested permission to argue before the Board in connection with this case that the application should have been refused and that the applicant should not have been granted leave to withdraw without the imposition of the six months bar as prescribed in Rule 8 of the Board's Rules of Procedure.

Thus, the position of the respondent, inter alia, is that the application filed on July 30, 1969, is in fact still properly before the Board, and the Board, without the consent of the respondent, has no authority to permit, upon the application of the applicant only, the withdrawal of this application.

Secondly, the Board has no authority to have processed a further application filed by the applicant on December 29, 1969, covering identically the same bargaining unit, when there was in fact a prior application current."

At the conclusion of his argument at the hearing on April 14, 1970, he summarized his position as follows:

". . . . We strongly contend that there can only be one application before this Board, and that is the application which was filed in July 1969; that the Order of the Board of October 22, 1969 purporting to grant permission for the withdrawal of this application and purporting to grant dispensation of the prohibition of the time period as set forth in Section 8 is likewise a nullity; that substantial rights of the employer in a very substantive form are involved in this matter. The employer requested the right to be heard and the Board itself granted the right to be heard because the Board scheduled a hearing, but a letter from one of the parties where the position taken by that party was clearly challenged by counsel on the other side seemed to have motivated the Board in its position where the Board was prepared to dispense with this matter without both sides being heard.

The question very clearly at issue is whether in a matter of this nature the employer has any rights. When an employer files an answer to an application for certification has the employer any rights from then on or do the rights just enure to the benefit of the applicant trade union. When a board proceeds in a matter – I say this with all due deference – that is not contemplated by the Rules of Procedure and as a consequence of the Board proceeding in that matter the employer is prejudiced, then I submit that this in a very meaningful and substantial manner constitutes a violation of the principles of natural justice."

(Transcript, pages 43-44)

Since Counsel for the Applicant and Respondent had submitted lengthy argument to the Board and referred to a number of cases and a request had been made for written reasons, the Board decided at the conclusion of argument to reserve its decision.

While it is proposed to deal in order with the points which Counsel raised in his letter and elaborated upon in argument, the first matter to be considered is whether the Board had the right to permit the withdrawal of the Application of July 30, 1969. There is nothing contained in the Industrial Relations and Disputes Investigation Act or Regulations thereunder which provides that the Board must either certify or reject an application and, had this been the intention, it is considered the statute would have made it clear that the Board could not exercise its discretion in appropriate cases and allow a withdrawal. Counsel for the Respondent quite candidly admitted in response to a question that there are certain times when a trade union should be permitted to withdraw an application and that this was common sense. Obviously it was never intended by the Act that if a trade union wishes to withdraw its application and the Board deems it appropriate, the Board nonetheless must proceed to dispose of the application on its merits even to the extent of having a hearing involving expense to both parties. Counsel for the Respondent, however, went on to say that an applicant should not be permitted to withdraw the application once the employer has replied and where the Board has declared a substantial issue has been raised and set a date for hearing as to whether or not the trade union should be certified. The Board is unable to agree with this argument. If it was intended that it could only permit withdrawal of an application under certain conditions, the statute would have said so, and if it is conceded that the Board has discretion to permit a withdrawal, then there are no fetters on the exercise of such a discretion other than that it be exercised in good faith.

As to the submission that the Board breached section 8 of its Rules of Procedure which provides that where an application for certification is refused by the Board no further application in respect of the same or substantially same unit of employees is to be entertained until six months have elapsed except by special leave of the Board under the conditions specified, the simple answer is that the application was not refused and therefore section 8 has no application.

The principal submission of Counsel for the Respondent was that there had been a denial of natural justice in that a hearing had been requested, that the Board had said it was going to dispose of the case by a hearing and Counsel had every right to assume there would be a hearing, and for the Board not to do so deprived the employer of very substantial rights.

Section 9(1) of the Rules of Procedure referred to in the submission provides:

"9. (1) Subject to these rules, in any proceedings before it, the Board shall afford an opportunity to all interested parties either to present oral or written evidence or make oral or written representations on the matters at issue as the Board deems advisable in the circumstances."

While this gives the Board discretion as to whether it will allow oral or written evidence or representations, in reaching a decision with respect to the above submission the Board does not consider it necessary to rely upon this provision.

In regard to the argument that the Board had stated that it was going to dispose of the application by a hearing, this must be considered in its proper context. The fixing of a date for hearing to give both parties a full opportunity to be heard on all aspects of the matter before the Board reached a decision whether or not the Applicant should be certified as bargaining agent was before the request was made for leave to withdraw the application. Counsel for the Respondent must have expected the Board to deal with this request before the hearing referred to, else why would he have advised the Board that his client had no objection to the application being withdrawn providing there was a six months' bar to a further application. Surely if the Board allowed withdrawal of the application, whether or not subject to terms, the hearing which had been fixed to hear the parties with respect to the question of certification would have been pointless. Therefore, the Board cannot accept the submission of Counsel in this respect.

The final point raised by Counsel for the Respondent was that his letter of October 15 made it quite clear that he wished to be heard on the matter of the request for leave to withdraw. In reply to argument of Counsel for the Applicant who contended that he had not asked for a hearing, Counsel for the Respondent modified his position somewhat as follows:

". . . . So even in my letter of October 15th I had made no mention whatsoever of there being a hearing. At that point in time I had every right to assume that there would be a hearing and I would not have had to emphasize it again."

(Transcript, page 70)

This aspect of the submission has already been dealt with above but with respect to the submission that Counsel had requested a hearing on the request for leave to withdraw, the letter of October 15 clearly stated that there was no objection to withdrawal providing a six months' bar applied to a further application for certification, that Counsel did not subscribe to the assertion on behalf of the Applicant that there was a basis of technical error, that the question of timeliness should be considered and that the Applicant should be prepared to accept the consequences of an application in improper form. As previously stated, the Board is unable to understand how Counsel could have assumed that the Board did not intend to deal with the request for leave to withdraw; otherwise, the request for representations by October 17 was pointless. For Counsel to add in the letter of October 15 that an attempt had not been made to set forth in detail the reasons for his client's position in this regard and that his client was "prepared, if necessary, to argue this matter before the Board", was not and is not interpreted by the Board as a request for a hearing on the matter. At best it can only be interpreted as a request to appear before the Board if it did not agree with his submissions which is hardly the basis upon which written representations are received. Had Counsel desired a hearing before the Board on this question or a delay in making representations, it would have been a simple matter to so state in unequivocal terms. The Board is therefore of the view that there has been no denial of natural justice in this matter, particularly since Counsel was afforded the opportunity of putting his points in the letter and accepted it.

Having carefully considered the points submitted by Counsel for the Respondent at the hearing of April 14, 1970, the Board is still of the view that it had authority to grant permission to the Applicant to withdraw the application for certification of July 30, 1969, and that such permission was properly granted. Had the Board come to a contrary conclusion, it would have taken the necessary steps within its powers to proceed with that application.

The Board considers that the application of December 29, 1969, for certification is properly before it and directs that the hearing on the merits of the application proceed at the next sitting.

DATED at Ottawa, May 5, 1970.

(Sgd.) J.J. Quinlan,
Vice-Chairman and Acting
Chairman for the Board

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Publications

CONCILIATION BOARD REPORTS
together with
CLRB REASONS FOR JUDGMENT

No 5, 1970

Conciliation Board Reports in disputes between:

Albert G. Baker Limited, Clarke Steamship Company Limited, Eastern Canada Stevedoring Division of Warnock, Hersey International Limited, Terminus Maritime Inc. and Capitaine H. Turbis Enrg. and The International Longshoremen's Association

TransAir Limited, Winnipeg, and Canadian Air Line Flight Attendants Association

La Cie Transol Inc. and Canadian Union of Public Employees

Reasons for Judgment in Application affecting:

Canadian Merchant Service Guild (Applicant) and

Pacific Hovercraft Ltd. (Respondent)

CANADA DEPARTMENT OF LABOUR

Hon. Bryce Mackasey, Minister

J.D. Love, Deputy Minister

Report (Translation) of Board of Conciliation established to deal with dispute between:

Albert G. Baker Limited, Clarke Steamship Company Limited,
Eastern Canada Stevedoring Division of Warnock, Hersey International Limited,
Terminus Maritime Inc., and Capitaine H. Turbis, Enrg.
and
International Longshoremen's Association

The Board was under the chairmanchip of Jean-Réal Cardin of Québec City, Guy Letarte of Québec City was the member of the board nominated by the companies and Louis Laberge of Montreal represented the union. The report was received by the Minister of Labour in June.

The Board appointed to look into the above-mentioned matter met in Quebec City on May 7 and 8, 1970 in the presence of the representatives of the parties concerned and held a conciliation meeting in an attempt to get the parties to settle their dispute.

We wish to stress that the main points at issue had to do with the following two questions, namely: (a) job security, to which was related that of management rights concerning flexibility on the number of workers per gang and concerning wage guarantee for union members, that is to say the assurance of a certain number of weeks of work per year at the rate of a certain number of hours of work a week; (b) the question of wages and other related matters, that is having anything to do with money.

Following the conciliation meetings, the Board proposed to the parties a package agreement which was accepted verbally by both parties. The union agreed to submit the proposed agreement to its members. This explains the delay in submitting the report. According to the information received a few days ago, the agreement proposed at the conciliation meetings was not accepted and, therefore here are our unanimous recommendations:

Wages

The hourly wage rate at the expiry of the collective agreement was $3.11 an hour. The union has long argued to justify its demand for wage parity with longshoremen handling ocean-going vessels whose wage rate is $4.25 an hour. After discussions with management representatives and considering that an incentive should be offered to improve the efficiency of operations, the parties agreed that the wage rates would be $4.25 an hour as of the signing of the collective agreement and $4.60 from January 1, 1971. The Board so recommends.

Retroactive pay

As for retroactive pay, the Board unanimously recommends that the employers pay each union member still in their employ an amount equivalent to 35 cents an hour for each hour worked from January 1, 1970 to the date of the signing of the collective agreement, and to 25 cents an hour for each hour worked between January 1, 1969 and December 31, 1969.

Pay for Saturdays, Sundays and Holidays

The Board unanimously recommends that any work performed on Saturdays, Sundays and holidays provided for in the collective agreement and between midnight and 7.00 A.M. be paid double time.

Pay for work performed during meal time.

All work carried out during meal time should be paid double the rate applicable at the date the collective agreement was signed.

Minimum call-back period for coastal shipping.

(a) Loading and/or unloading of ships:

first call-back: minimum of four hours.
second call back: minimum of three hours.
third call back: minimum of two hours.

(b) Loading and/or unloading of freight cars:
All call-backs: Two hours.

Minimum call-back period for ocean shipping (loading and unloading of freight cars).

first call-back: minimum of four hours.
second call-back: minimum of four hours.
third call-back: minimum of three hours.

Vacation leave period and vacation pay.

All members in good standing of the International Longshoremen's Association, Local 1958, will receive not later than the end of the third week of January of each year their vacation pay on the following basis:

From more than 30 days to 10 years of service: 5 per cent.
From 10 to 20 years of service: 6 per cent.
More than 20 years of service: 7 per cent.

The International Longshoremen's Association, Local 1958, will provide the Companies with the list of the members in good standing indicating their years of service, and the Companies may contest it if it is not exact.

Pension fund

15 cents per hour worked for each union member.

Management rights

The International Longshoremen's Association, Local 1958, acknowledges to management the right to direct and operate its facilities, machines and equipment, and to conduct its operations, including the right and power to maintain order and discipline, all of which is subject to the protection of health and safety of employees and on the condition it complies with all the provisions of the Act and the clauses of this agreement.

Job security

On this matter, the Board members have reached the conclusion that it is impossible to meet the union demand to guarantee annual wages to the employees concerned. The union spokesmen have recognized that the acceptance of such a request would place the employers in an untenable competitive position and consequently, especially considering the large wage increases granted and the improvements in the fringe benefits, we do not recommend that

the union demand concerning job security be imposed upon the employers.

On the other hand, we recommend that the employers be subject to some restrictions concerning the minimum number of workers who must be assigned to the operations, as listed below:

Coastal shipping: 7 men except the winch-driver if required.

Coastal operations of containers and heavy equipment: 5 men.

Ocean shipping: (loading and/or unloading of freight cars): 5 men.

For aluminum and wrapping paper (liner-board): (loading and/or unloading of freight cars): 3 men.

When tests will be made on parcel or unit cargos, the tests will be made with 5 men, with the employer having the right to order the employees. When these tests are conclusive, the number of employees required will be renegotiated by the two parties, and could eventually give way to a strike or a lock-out.

Term of the agreement.

We recommend that the collective agreement be in force for three years, that is from January 1, 1969 to December 31, 1971.

DATED at Quebec City, June 18, 1970.

(Sgd.) Jean-Réal Cardin,
Chairman

Guy Letarte,
Management representative

Louis Laberge,
Union representative

Report of Board of Conciliation established to deal with dispute between

TransAir Limited, Winnipeg,

and

Canadian Air Line Flight Attendants Association

The Board was under the chairmanship of J.F. O'Sullivan of Winnipeg. He was appointed by the Minister in the absence of a joint recommendation from the other two members of the Board, A.S. Dewar, Q.C. and William Kennedy, both of Winnipeg, who were previously appointed on the nomination of the company and union, respectively. The report as received by the Minister of Labour in June, consists of the report of the Chairman and Mr. Dewar and a minority report submitted by the union nominee, Mr. Kennedy.

The parties made an agreement on August 28, 1968 to be effective for a two-year period from January 1, 1968 to December 31, 1969.

Prior to the expiration date, the association gave notice of its intention to negotiate changes in accordance with the renewal and termination clauses of the agreement. Thirteen proposals were made by the association; none were proposed by the employer.

There were meetings on December 16 and 17, 1969. The company asked for a moratorium to April 1, 1970 in view of the then critical financial position of TransAir Limited. The association did not agree but asked for conciliation. Meanwhile on December 31, 1969 approximately 20 stewardesses and 16 pilots were laid off.

A conciliation officer was appointed but was not successful in bringing about an agreement. This conciliation board was appointed and held meetings on April 16 and 17. The board was unable to bring about an agreement and has since met to consider the submissions of both parties and to make the recommendations set out herein. The parties agreed to extend the statutory time for presenting its report.

Since negotiations began, the company's financial position has improved somewhat but it is still operating at a deficit and it expects to continue to do so for the rest of the year. Changes in management at all levels have been made, and the company expects to be able to turn its operation into a profitable undertaking. It has a good prospect of being allowed to operate planes from Winnipeg to Toronto via intermediate stops.

Also, since these negotiations began, the company has concluded collective agreements with their despatchers and pilots. We were informed that the despatchers had been "locked in" to a three-year agreement with increases of 4 per cent, 4 percent and 4 per cent. The new agreement with the despatchers is for 12 per cent in the first year and 4 per cent in the second.

We were not told by how much the pilot's rates of pay were increased, although we were supplied with a copy of that contract. Since jet rates are included for the first time, it is apparently not realistic to compare the newly negotiated rates with previous ones.

The company's position is that it cannot afford to pay what the association is asking, but in any event what it is proposing to pay them is fair and reasonable having regard to the work the stewardesses are required to do and comparable salaries in industry generally.

The company say that it is not reasonable to use Air Canada or CP Air in comparing salaries. One of their representatives said that the transcontinental carriers are quite different from regional carriers. To illustrate his point, he contrasted the Fort Garry Hotel in Winnipeg with an imaginary "Joe's Diner" and said that just as it would be unreasonable for a waitress in Joe's Diner to expect a salary at the same level as a waitress in the Fort Garry Hotel, so it is unreasonable for a stewardess who works for TransAir Limited to expect an income equal to that of those who work for Air Canada.

It was pointed out that the argument advanced on behalf of TransAir Limited seemed to be at a variance with their position that they are able to give the citizens of Thunder Bay, for instance, comparable service to Air Canada. Either they can give as good service, or the government in allocating Winnipeg – Toronto runs to TransAir is condemning the public to a poorer service than they have heretofore had.

But if they can give as good service as Air Canada, the question remains why cannot those who are employed by TransAir Limited expect to get as good income as those doing similar work are getting at Air Canada?

To allow gross disparities in income to remain while routes are being transferred from Air Canada to regional carriers would mean that savings in economy would be at the expense of the workers.

As has been pointed out by a number of conciliation boards in the past, companies do not expect suppliers of raw material and equipment to subsidize them in bad times. It is only the suppliers of labour who are asked in effect to subsidize uneconomic operations.

It is true that any company with temporary economic difficulties can expect suppliers of raw material and equipment to agree to special terms in time of stress and to extend credit and other benefits while it is undergoing a temporary situation.

It is not unreasonable for TransAir Limited to propose to its employees that, on its assurance that its financial difficulties are temporary, its employees might be prepared to accept a smaller increase at the present time and to defer larger increases until some time has elapsed.

We hoped therefore to persuade TransAir Limited to make an offer based on a small increase for a one-year period coupled with a more substantial increase in the second year of a two-year contract.

Instead, TransAir declined to move from its offer made at the commencement of conciliation proceedings. This offered no change from January 1, 1970 to April 30, 1970 and an increase of approximately 7 per cent half of which was to be given May 1, 1970 and the other half to be given January 1, 1971 in a two-year contract, expiring December 31, 1971.

The association for its part remained with its position that a 20 per cent increase in all rates of pay was warranted, but agreed to consider that the 20 per cent might be spread over the life of a two-year contract.

In our opinion, the union's request for a 20 per cent increase should be given consideration. The increases would still leave a substantial disparity between TransAir and Air Canada.

Recently, Pacific Western Airlines Limited settled with the association by accepting a recommendation for a increase of 8 per cent in one year and a further increase of approximately 15 per cent commencing September 31, 1970.

We are of the view, however, that in view of the financial difficulties of TransAir Ltd., the increases should be spread over the two-year period in four stages.

We recommend that for the period January 1, 1970 to June 30, 1970 all wage rates should be increased by 4 per cent and that for the period July 1, 1970 to December 31, 1970 all rates should be increased by an additional 4 per cent; for the period January 1, 1971 to June 30, 1971 all rates should be increased by a further 5 per cent and for the period July 1, 1971 to December 31, 1971 by a further 5 per cent.

If TransAir Limited does not expect by 1971 to be in a position to pay reasonable salaries it should in our opinion reconsider its operations, and consideration should be given by public bodies to the wisdom of carrying on a regional air policy which results in substandard wages for employees of some regional carriers.

The association also proposed that there should be a provision for a jet scale 10 per cent above the propeller rate. This seems to make good sense and will further reduce the disparity between stewardesses who work for different companies doing substantially the same work. We therefore recommend that the association's proposal should be adopted.

There was a proposal that flight attendants who fly more than 25 hours per month on a jet aircraft be paid at the jet rate for the remainder of the month. We cannot accede to this proposal at the present time. The association says it has two purposes in mind: (1) it will encourage the Company to build jet blocks separately from propeller blocks, and (2) it will take account of, and reward flight attendants for, jet fatigue. We think the second purpose is achieved by having a jet differential. The first purpose is premature. In its initial stages and in view of its reorganization the company needs as much flexibility as possible in its operations.

Accordingly we recommend that the income of stewardesses should be increased by the jet differential in proportion to the number of hours flying time on jets compared to their total hours in a month.

We are not able at this time to recommend a sixth and seventh year wage scale, as suggested by the association.

Nor can we accede to the suggestion that a senior stewardess be paid additional time of 25 cents per hour. We do not say that such a bonus for extra duties is unreasonable, but we think that emphasis should be given at this time to general wage increases rather than to bonuses for certain employees. We think the company's proposal for a clause stipulating 15 cents per flying hour to be paid extra to the flight attendant in charge is reasonable. The proposal contemplates a flight attendant in charge on flights where there are more than two flight attendants carried.

The association suggests that flight attendants be guaranteed one hour's flying time credit for each 4 hours away from home or actual flying time, whichever is greater.

We are satisfied that the implementation of this proposal for domestic scheduled flights would not work any significant hardship on the company. It would provide a protection against scheduling which result in long layovers.

The case is not so clear with regard to charter flights. The company argued that this provision would cripple the charter business. It was also pointed out that charter flights to Las Vegas or the Bahamas, although they require extra duty time, have compensating advantages. The same, however, cannot be said of charter flights to Arctic points.

We recommend that the "one in four" proposal of the association be adopted for all scheduled flights, but for the present it should not be extended to charter flights.

The board concurs in the association's proposal for leave of absence during pregnancy. The wording used in the agreement between Air Canada and the association, dated October 28, 1966, item 2, p. 44 is suitable.

There is a proposal from the association to increase training rate from $220 per month to $250. We think that is reasonable and recommend it.

The proposal for increased cab allowance is worthy of consideration. We recommend therefore that the cab allowance be increased from $2.00 to $2.50.

The association asks for a minimum call-out guarantee of 3 hours flight time or actual flight time, whatever is greater, when called out to take a flight. This proposal seems reasonable and we recommend it.

As to vacations, we believe that an extension to stewardesses of the present company policy on vacation to pilots would be reasonable and we recommend it. The company agreed during the hearings to this.

A vexing problem to a stewardess while on vacation is that she is not credited with any of the hours she would have worked had she not been on vacation. Accordingly, in a month where she is on vacation, it is virtually impossible for her to earn money for extra flying time. We think that for the purpose of computing excess flying hours only, each stewardess should be credited with 17 1/2 hours flying time for each week that she is on vacation.

As to the proposal that maximum flying time on jets be 75 hours with a basic month of 65, this is a matter on which the Board does not make any recommendation at the present time.

The association has proposed that flight attendants be paid $2 per hour for all time spent on non-flying days for training, examinations, company meetings and so on. At the present time, if a girl is called in on her scheduled day off, then the company makes up for that day off.

All parties agree that it is desirable that stewardesses should receive instructions on new methods and procedures from time to time; at the same time both recognize the desirability of avoiding abuse.

We recommend that there should be provision for $2 an hour to be paid to stewardesses for all time required by the company on non-flying days in excess of 16 hours a year. This accords with a practice of C.P. Air, although the rate recommended is lower. In

addition, if she is called in on a scheduled day off, the company should continue its present policy of making up for that day off.

The association proposes that minimum crew complements be written into the agreement. We do not agree that it is in the interest of either the company or the employees of the company to put restrictive clauses of this kind in the agreement. Subject to regulations of government agencies designed to protect the safety and convenience of the public, we think that the employer should have the right to direct the deployment of its work force. There is not sufficient evidence of abuse to warrant a contractual stipulation that minimum crews be maintained on particular aircraft, nor are we in a position to know how best the airline should organize its work force. We recognize that items of this kind are negotiable, but we are of the view that a sufficient case must be made out before restricting by agreement the company's rights and duties of managing its operation in the most efficient way in the light of all the circumstances at any time.

The same considerations prevent us from acceding to the association's proposal that block rules be amended to provide for building blocks to the same aircraft type. We understand the association's concern in this regard. We note that the company says that blocks are established by a committee of which representatives of the stewardesses are members. We hope that the participation of the stewardesses' representative is not just a token participation, but we recommend at this time against imposing restrictions on the company's right to organize flight blocks within the present rules and custom.

As to retroactivity, we recommend that the first 4 per cent general rate increase be retroactive to January 1, 1970. The other recommendations if adopted by the parties, should come into effect when an agreement is signed.

DATED at Winnipeg, May 29, 1970.

(Sgd.) J.F. O'Sullivan,
Chairman

A.S. Dewar,
Member.

MINORITY REPORT

I have had the benefit of the thinking of the other Board members and in most of the items in dispute I join in the recommendations. The items upon which I make separate recommendations are listed in the numerical order as set out in the association's proposals as follows:

I would recommend that all monthly salary and excess flying hourly rates be increased by 6 per cent effective January 1, 1970 and that the rates in effect on January 1, 1971 be further increased by 14 per cent on that date.

I would recommend the inclusion of the one-in-four formula as proposed by the association.

I would recommend that for the purpose of vacations, employees be credited for flights in her block as if flown according to schedule.

I would recommend in favour of the association's proposal in this item.

I would recommend in favour of the association's proposal in this item.

DATED at Winnipeg, May 26, 1970.

(Sgd.) William F. Kennedy,
Member

Report (Translation) of Board of Conciliation Established to deal with dispute between:

La Cie Transol Inc.
and
Canadian Union of Public Employees

The Board under the Chairmanship of Jean Réal Cardin of Montreal. He was appointed by the Minister of Labour on the joint recommendation of the other two members of the Board, G. Letarte of Quebec City and Andre Thibaudeau of Montreal, who were previously appointed on the nomination of the company and union, respectively. The report was received by the Minister in July.

The problems referred to the Conciliation Board are the following:

(a) Job security;
(b) Wages;
(c) Term of the collective agreement.

The other articles of the collective agreement at issue at the time the Conciliation Board was formed were the object of an agreement between the parties and, consequently, it is not advisable that our Board make recommendations concerning them.

The main difficulties faced by the parties during bargaining relate to job security of employees working for La Cie Transol Inc., and the wages of the said employees, to which must be added the more important fringe benefits, namely the clauses dealing with overtime, paid holidays, vacation leave and sick leave.

Evidence was submitted to your Board that the employees, members of the Canadian Union of Public Employees and working for La Cie Transol Inc., most of them for a few years, are particularly worried about their future, since the contract of their employer with the Post Office Department expires in September, 1970, and that its renewal is subject to the replies sent to the said Department, following the call for tenders scheduled for the immediate future.

To understand the extent of the difficulty and the seriousness of the employees' worries, one must remember that the pick-up service (mail-boxes) and the delivery of parcels carried out by La Cie Transol Inc. is assigned for a five-year period by the Post Office Department, after a public call for tenders. Consequently these employees are not only justified in fearing to find themselves unemployed at the expiry of their employer's contract with the Post Office Department, but they are, in fact, practically sure of losing

heir job when their employer, having negotiated a collective labour greement, is no longer in a position to face the competition of ther employers. As a matter of fact, any employer who, at the time he tenders are called, does not have any employees working for im, or whose employees are not represented by a certified union, ay provide in his operation costs for the working conditions, cluding the pay he deems reasonable.

As for the employer whose employees are already members of certified union, he must take into account the working conditions lready negotiated and, consequently, in submitting his tender he annot ignore the cost of the working conditions to which he is ound.

Although the present system offers some advantages at the evel of the administration of public affairs, it also has very serious isadvantages and causes some no less serious injustice. Indeed, if he conditions of our economy and the system under which we live annot ensure the employees complete job security, it is on the ther hand necessary to correct as much as possible the immediate auses of insecurity which may exist while ensuring the efficiency of service.

The members of your Board feel that it is possible, without questioning the system of calling periodically for tenders, to ensure he employees subject to this system their livelihood for a period exceeding the term of the contract binding their employer and the Post Office Department.

In order to do so, all that is needed would be to provide, which would only be fair, that those submitting tenders be required to observe certain conditions relating to the person of the workers concerned namely: (a) hiring of regular workers already in the employ of the previous sub-contractor; (b) maintaining the hourly wage rates; (c) maintaining the system of vacation leave, the number of paid holidays, the clauses dealing with overtime and vested rights concerning the accumulation of sick leave.

The obligation for the tenderers to take the above-mentioned conditions into account cannot, in our humble opinion, infringe in any way upon the rights of each citizen to request a contract with the State. On the other hand, this obligation ensures the wage-earners, who are also full-fledged citizens, a sowing life carrying with it at least a security equivalent to that of most of the other workers.

THUS, THE BOARD RECOMMENDS THE FOLLOWING:

1. That the collective agreement to be signed by the parties ensure the employees the security of their job, subject to the needs of the undertaking and the seniority rights of the employees.

We thus recommend that the Postmaster General amend his policy for granting contracts, by requiring from the tenderers that they agree to hire all the regular employees of the previous sub-contractor, to guarantee them the same hourly wage rates, including the increases already provided for, as well as the system of vacation leave, paid holidays, overtime and sick leave already in force.

The above-mentioned conditions do not affect the right of the employer to manage and administer his undertaking on the condition that he respect the seniority of the employees in case of lay-offs;

2. That the hourly wage rates be increased to $2.78 an hour from April 27, 1970; to $3.06 an hour from April 27, 1971; and to $3.35 an hour from April 27, 1972.

3. That the collective agreement be for a three-year term from April 27, 1970.

Dated at Quebec City, June 29, 1970

(Sgd.) Jean-Réal Cardin,
Chairman

Guy Letarte,
member

André Thibaudeau,
member

Reasons for Judgment in Application for Certification Affecting

Canadian Merchant Service Guild, (Applicant)

and

Pacific Hovercraft Ltd., (Respondent)

The Board consisted of A.H. Brown, Chairman, and E.R. Complin, J.A. D'Aoust, Jacques Guilbault, K. Hallsworth, A.J. Hills, Gérard Picard and R.C. Smith, Members. The Judgment of the Board was delivered by the Chairman.

1. The Western Branch of the Guild applied under date of October 1, 1969, to be certified as bargaining agent for a unit of employees of the Respondent described in its application as consisting of officers employed by the Respondent as commander ACV, 2nd crew man ACV, engineer ACV, and apprentice engineer ACV, operating on the West Coast of Canada, in the Northwest Territories, and in Alaska. Described in terms of the Respondent's payroll classifications of employees at the date of the application, it appears that the bargaining unit of employees of the Respondent for which the Western Branch sought certification as bargaining agent is comprised of employees in the classifications of pilot, chief pilot, engineer, crew chief engineer, chief engineer, field manager-pilot, mechanic, and mechanic-apprentice, employed in the geographic areas of the Respondent's operations set forth above.

PART I

2. The By-Laws of the Guild require that all applications for membership therein be made in the form of and by way of an application for membership in the appropriate Branch of the Guild. Article IX of the Guild By-Laws provides however that all collective agreements and certifications shall be in the name of the National Organization (the Canadian Merchant Service Guild) and that no collective agreement shall be signed without first being ratified by the membership involved and having the approval of the National Executive Officers of the Guild.

At the outset of the hearing held by the Board on the Western Branch application for certification, the attention of Counsel for the Applicant, who was accompanied by R.A. Owen, Executive Vice President of the Guild, was drawn to these provisions of Article IX of the Guild By-Laws. In the course of

the closing argument at the hearing, counsel for the applicant for certification made application to the Board to amend the application by changing the name of the applicant for certification by the substitution of the Guild as the applicant for certification in place of the Western Branch in order to bring the application into compliance with the provisions of Article IX of the Guild By-Laws. In so doing Counsel gave an undertaking to file with the Board a resolution from the appropriate union executive authorizing this change in name.

Counsel for the Respondent thereupon took objection to the amendment on the general ground that the Board does not have authority to accept such amendment or to agree thereto. Following the conclusion of argument at the hearing, the further disposition of the application was deferred by the Board pending consideration of the issues raised.

Subsequently in accordance with the undertaking given at the hearing Counsel for the Guild and the Western Branch, Mr. McWilliam, filed with the Board a statutory declaration made by R.A. Owen, the Executive Vice President of the Guild, in which it was stated that owing to inadvertence the application for certification had been made in the name of the Western Branch rather than in the name of the Guild as required by Article IX of the By-Laws of the Guild. There was appended to the declaration a duly verified copy of a resolution passed by the Executive Board of the Guild, in which after reciting that through inadvertence the aforesaid application for certification was made in the name of the Western Branch the Executive Board resolved that the Guild assumes and ratifies the aforesaid application for certification made in the name of the Western Branch. A copy of this application and documentation was thereupon transmitted by the Board to Counsel for the Respondent for information and to afford the Respondent the opportunity of making further representations in respect of the application to substitute the Guild as the applicant for certification.

The Board has now before it for consideration the written representations submitted by Counsel for the Respondent in reply raising a number of objections to the said application for substitution of the Guild as the applicant for certification herein. In this reply it is contended, inter alia, that the amendment proposed is not a mere correction of an irregularity or an oversight but is a matter of substance and should not be treated as falling within the provisions for amendment in proceedings before the Board contained in Section 7 of the Board's Rules of Procedure. This section provides that "any application or other document filed with the Board in connection with any proceeding under the Industrial Relations and Disputes Investigation Act (hereinafter referred to as the IRDI Act) may be amended at any time by leave of the Board upon such terms and conditions as the Board may prescribe". In the said reply, it is contended further that if the amendment is allowed the evidence before the Board in connection with the application as made by the Western Branch of the Guild is not evidence that can be transferred from one applicant to another. Respondent queries also the status of the Guild as a trade union under the IRDI Act. Counsel for the Guild has filed written argument with the Board in rebuttal of the objections raised by Counsel for the Respondent in his written representations.

Following upon its consideration of the arguments advanced by counsel for the interested parties hereto and of the provisions of the Constitution and By-Laws of the Guild and the evidence before it as to activities and objectives of the Guild, the Board is satisfied that the Guild is a trade union within the meaning of the IRDI Act. The Board observes that the Guild has been certified as bargaining agent for several units of employees under the IRDI Act on earlier occasions under a number of applications for certification in which the Guild was held by the Board to be a trade union within the meaning of the said Act.

The status of the Western Branch and its relationships with the Guild in the view of the Board corresponds in essentials to the status and relationship generally existing between a local union and the parent union from which the local union has received its charter with the added stipulation, however, contained in Section IX of the Guild By-Laws that all certifications and collective agreements be in the name of the Guild rather than the Branch. The Board is of opinion moreover on consideration of the provisions of the Guild Constitution and By-Laws and the Rules and Regulations of the Western Branch and the evidence before it as it relates to membership in the Guild and in the Western Branch that membership in the Western Branch carries with it membership in the parent union, namely, the Guild.

The making of the application for certification to be issued in the name of the Western Branch indicates a deplorable lack of knowledge by the Western Branch of the provisions of the Guild By-Laws and an evident lack of communication between the Branch officers and the Guild head office. However, the Board is of opinion that this defect in the manner and form in which the application for certification was made will have been remedied by giving effect to the resolution of the Guild authorizing the substitution of the Guild as the applicant for certification in the name of the Guild and the Board accepts the said resolution as an acceptable authorization on behalf of the Guild for the making of the said application.

The Board is of opinion having regard for the provisions of Section 7 of the Board's Rules of Procedure that it has authority and the discretion to grant the application of the Guild for the substitution of the Guild in place of the Western Branch as the applicant for certification herein and is of opinion that in the particular circumstances of this case it is warranted in exercising this discretion in the interests of the disposition of the representation issues in dispute on their merits by granting the said application for substitution of the Guild as the applicant for certification in place of the Western Branch in the application for certification that is before the Board. The Board grants the application for substitution accordingly. However, it does so on the condition as later set forth in these Reasons for Judgment that the wishes of the employees in the bargaining unit as found to be appropriate for collective bargaining concerning the choice of the Guild as their bargaining agent shall be determined by a vote by secret ballot of the employees in the unit.

PART II

3. The Respondent, a corporation incorporated under the laws of the Province of British Columbia, owns and has operated since early in 1969 four hovercraft air cushion vehicles, one in hovercraft transportation operations in British Columbia, one in hovercraft transportation operations in British Columbia, one in hovercraft transportation operations in the Northwest Territories, and two on hovercraft transportation operations in Alaska.

According to the evidence these air cushion vehicles, which were purchased by the Respondent in the United Kingdom, operate over land or water with equal facility at levels ranging from a minimum of approximately 2 1/2 feet to a maximum of approximately 4 feet above the surface of the land or water traversed. In operation the vehicle travels upon a cushion of air which is contained by rubber skirts attached to the hull of the craft extending below the hull to a level just above the land or water surface traversed so as to avoid both surface friction and air-cushion escape. The hovercraft have both aircraft and watercraft characteristics in the nature of operational controls and power equipment utilized and in the experience and skills of the licensed pilots and engineers who operate and maintain these transport vehicles. The Respondent's hovercraft vehicles have an operational range under their own power of approximately four hours' travel and up to approximately 120 miles in range depending on the travel environment upon land or water.

The undertaking and business of the Respondent consists of the provision of hovercraft transportation services and the operation of hovercraft in such services under contract or as a public transportation agency. In 1969, the initial year of operation, the Respondent engaged in the following operations. A scheduled hovercraft passenger service was operated between the Vancouver Airport and Esquimalt, B.C., for a period from February, 1969, until the latter part of September, 1969, under an operating licence issued by the Canadian Air Transport Board involving the use of one hovercraft vehicle. According to the Respondent's evidence this service was discontinued because it proved to be an uneconomic operation and although the prospect of early resumption of this service is unlikely the operating licence held is still in force.

One hovercraft was operated in geophysical and other exploration activities in the Northwest Territories under a contract with the Canada Department of Energy, Mines and Resources on a project termed the Polar Continental Shelf Project in an area at the mouth of the Mackenzie River and the Beaufort Sea. The operating licence for this project was issued to the Respondent by the Air Transport Committee of the Canadian Transport Commission upon the Respondent's application.

Two hovercraft were operated in geophysical service and other exploration activities for private oil companies in the tundra area of Alaska under contracts entered into by a wholly owned subsidiary company of the Respondent incorporated under the laws of the State of Alaska under the name of Pacific Hovercraft Incorporated. The subsidiary company holds an air commerce permit issued to it by the Alaska Transportation Commission for operation of air commerce vehicles in Alaska which runs to July 2, 1970. According to the evidence these Alaska operational activities have been carried on under the direction of the management of the Respondent and the hovercraft vehicles used thereon are owned, crewed and maintained by ernployees of the Respondent in the unit for which certification is sought who are assigned temporarily from the Respondent's Vancouver base for such services. Respondent's evidence is that there are ordinarily two pilots and four engineers under the supervision of a field manager employed on each hovercraft operation of the nature referred to above. The Respondent's only permanent base is at the Vancouver Airport and the Respondent's workforce including the pilots, engineers and other operating and maintenance personnel work at or out of this base except as assigned from the base temporarily on the Respondent's hovercraft operational activities elsewhere.

The evidence of the Respondent was that at the time of the hearing the Respondent was engaged in discussions with the Government of the Province of Newfoundland in respect of the development of possible hovercraft transportation routes in areas of Newfoundland and Labrador where it is considered not feasible to provide transportation by ship or land vehicles. The Respondent had made application also to the Canadian Transport Commission for approval or tentative approval of charter projects with private clients to provide and operate hovercraft transportation facilities on geophysical or seismic exploration projects within this general area.

According to the Respondent's evidence, the Respondent solicits and is ready to provide hovercraft transportation services in connection with projects of these types anywhere in Canada or outside Canada under contract. The Respondent's managing director anticipates that the Respondent's program for 1970 in the northern areas where it operated in 1969 will involve 5000 contract hours of hovercraft operations as compared with 600 hours of hovercraft operations carried out in this northern area in 1969.

4. The Respondent submits that its operations, upon which the employees in the proposed unit are employed, are not subject to the provisions of the Industrial Relations and Disputes Investigation Act.

The hovercraft vehicles operated by the Respondent are air cushion vehicles as defined in the Aeronautics Act c. 3. R.S.C. 1952 as amended, and the Respondent's hovercraft transportation activities in Canada both in providing public transportation facilities and under contracts with public or private clients are carried on by the Respondent under the authority of operating licences granted by the licensing authority under that Act, which is the Canadian Transport Commission, and these transportation facilities and activities are authorized and carried on under and in compliance with the operating regulations contained in or established under the said Act.

The Board's attention was drawn to the provisions of complementary amendments to each of the Aeronautics Act contained in c. 13. S.C. 1968-69 and the Canada Shipping Act c. 55. S.C. 1968-69 which come into force only by proclamation and under which the licensing and regulation of air cushion vehicle operations will be excluded from the application of the provisions of the Aeronautics Act and brought within the application of certain provisions of the Canada Shipping Act. However these pieces of legislation have not been proclaimed, and the content thereof is not relevant to the disposition of the issue of jurisdiction under consideration.

The Board is of opinion that the hovercraft transportation operations of the Respondent in Canada as presently carried on upon which the employees in the proposed unit are employed including the maintenance operations carried on at the Vancouver base constitute an undertaking or undertakings to which the provisions of the Industrial Relations and Disputes Investigation Act apply.

5. The Board finds that a unit of employees of the Respondent consisting of employees in the classifications of pilot, engineer, crew chief engineer, mechanic, mechanic-apprentice, excluding the chief pilot, chief engineer, special projects engineer, and field manager employed upon or in connection with the Respondent's hovercraft transport operations including the maintenance operations at its Vancouver base in the West Coast area of British Columbia and in the Northwest Territories and on such operations in the State of Alaska as may be carried on under operating licences issued by the Canadian Transport Commission but excluding employees resident in the State of Alaska is appropriate for collective bargaining.

6. An issue was raised by the Respondent as to the authority of the Guild to accept persons engaged in the Respondent's hovercraft operations in the classifications of employees in the said bargaining unit into membership in the Guild in the light of the qualifications for Guild membership contained in Article 1 of the Guild's By-Laws. Under this Article, Guild membership is confined in general to ships' licensed personnel.

The Board observes that according to the evidence the hovercraft vehicles as operated by the Respondent provide transportation facilities and services upon and over the surface of the water as well as over land surfaces and that the basic training and experience of the pilots engaged in the operation of these vehicles has been in the marine industry coupled with short courses in hovercraft operation and that both the pilots and engineers engaged in these operations are authorized to do so under operating authorizations granted or accepted by the Canada Department of Transport.

In considering the provisions of the Guild's By-Laws relating to membership and the application of the provisions of the Aeronautics Act the Board is of opinion that in the light of the foregoing the hovercraft operations upon which the employees in the bargaining unit are employed may be considered as properly falling within a category of ships' operation and concludes that

the Guild has the authority under the provisions of its By-Laws to accept these employees into membership in the Guild.

PART III

Based upon the report of its Investigating Officer, the Board finds that a majority of the employees of the Respondent in the bargaining unit which the Board has found appropriate for collective bargaining are members in good standing of the Guild. However as this application for certification was made initially in the name of the Western Branch of the Guild the evidence of membership may not be conclusive as to the wishes of the employees to have the Guild rather than the Western Branch represent them. The Board is of opinion that a vote by secret ballot of the employees in the bargaining unit should be taken under the direction of the Chief Executive Officer of the Board with the name of the Guild on the ballot in order to determine the wishes of the said employees as to the selection of the Guild as their bargaining agent, and the Board so orders.

DATED at Ottawa, June 9, 1970.

(sgd.) A.H. Brown
Chairman for the Board.

David L. McWilliam, Esq.
Captain R.A. Owen,
Christopher Lovelidge, Esq.,
for the Canadian Merchant Service Guild

Jack T. Edwards, Esq.,
P. Barry Jones, Esq.
for Pacific Hovercraft Ltd.

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No 6, 1970

Conciliation Board Reports in disputes between:

Canada Steamship Lines Ltd. and Brotherhood of Railway, Airline and Steamship Clerks, Freight Handlers, Express and Station Employees

National Harbours Board and National Harbours Board Police Brotherhood

Reasons for Judgment in applications affecting:

Canadian Brotherhood of Railway, Transport and General Workers and Canadian National Railway Company (Respondent)

Canadian Wire Service Guild (Applicant) and Canadian Broadcasting Corporation (Respondent) and Association of Radio and Television Employees of Canada (Intervener)

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CANADA DEPARTMENT OF LABOUR

Hon. Bryce Mackasey, Minister

J.D. Love, Deputy Minister

Report of Board of Conciliation established to deal with dispute between:

Canada Steamship Lines Ltd.

and

Brotherhood of Railway, Airline and Steamship Clerks, Freight Handlers, Express and Station Employees

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The Board was under the chairmanship of A.C. Dennis of Lakefield, Ontario. He was appointed by the Minister in the absence of a joint recommendation from the other two members of the Board, L.M. Bouvier of Montreal, and Peter Bernard Carew of Ottawa who were previously appointed on the nomination of the company and union, respectively.

The dispute was settled with the assistance of the Conciliation Board and the terms of settlement are embodied in the report of the Board. The report was received by the Minister of Labour in July.

The parties were bargaining for the renewal of their collective agreement which expired April 15, 1969, affecting 41 employees.

The Conciliation Board met with representatives of the parties at Toronto, June 11th, 1970. The matters referred to the Board were those contained in a report of the Conciliation Officer, Mr. S.T. Payne to Mr. W.P. Kelly, Director of Conciliation Branch, dated March 16, 1970.

The Board wishes to thank the representatives for their presentations with such clarity and sincerity of purpose. As a result of their efforts and their nominees on the Board, a memorandum of agreement was signed by all concerned. This memorandum was to be presented to the union membership for ratification, a copy of which is attached to this report.

Dated at Lakefield July 10, 1970

(Sgd.) A.C. Dennis,
Chairman

L.M. Bouvier,
Member

Peter B. Carew,
Member

Agreement

Both Parties agree to recommend the following to their principals and union members respectively for acceptance for the renewal of their collective bargaining agreement.

1. The contract to be for the duration of three years, effective April 16, 1969, terminating April 15, 1972.
2. The rates of pay of the employees covered by this Agreement shall be increased by 8% retroactive to April 16th, 1969, and by an additional increase of 8% retroactive to April 16th, 1970, and by a further increase of 6% effective April 16th, 1971. The three increases shall be pyramided.
3. All other matters contained in the previous collective agreement to remain in full force and effect along with the wage increases as set out above until April 15 1972.

Report of Board of Conciliation established to deal with dispute between:

National Harbours Board

and

National Harbours Board Police Brotherhood

The Board was under the chairmanship of L.P. Brizard of Montreal, Quebec. He was appointed by the Minister in the absence of a joint recommendation from the other two members of the Board, R. Hainault and André Thibaudeau, both of Montreal, who were previously appointed on the nomination of the company and union, respectively. The report was received by the Minister of Labour in July.

The Board set up under the terms of reference given to it by the Minister of Labour on April 3, 1970, held two meetings in the presence of the representatives of the parties on June 12 and June 17 at the office of the Montreal Harbour Board.

At these meetings, the parties informed the members of the Board that the only point at issue concerning the two labour collective agreements under study was that of wages and the seniority bonus to be paid to the toll collectors. Each party stated its position on the points at issue to the members of the Board.

The members of the Board met on July 2, July 3, and July 6, and examined the documents and the evidence submitted by each of the parties involved. After a thorough study the Chairman and

member representing management, Mr. Robert Hainault, felt that considering the type of work and wages paid for it, an amount of $8,000 should be agreed upon for last year and $8,600 for this year. However, Mr. André Thibodeau, union representative, observed that he would rather favour wages of $8,300 for last year and $8,900 for this year, as it had been decided at the local level, besides the seniority bonus that these employees would get as policemen.

Since these employees could have received an average of $156. a year, on account of their years of service as policemen, it was decided to include at least this amount in their wages. The Board thus recommends the following wage rates: from April 1, 1969 to March 31, 1970 — $8,200. From April 1, 1970 to December 31, 1970 — $8,800.

Dated at Montreal, July 6, 1970.

(Sgd) Louis-Philippe Brizard,
Chairman.

Robert Hainault,
Member.

André Thibodeau,
Member.

Reasons for Judgment in Application for Certification affecting:

Canadian Brotherhood of Railway, Transport and General Workers (Applicant)

and

Canadian National Railway Company (Respondent)

The Board consisted of A.H. Brown, Chairman, and E.R. Complin, J.A. D'Aoust, Jacques Guilbault, Kenneth Hallsworth, Gerard Picard, and R.C. Smith Members. The Judgment of the Board was delivered by the Chairman.

Reasons for Judgment

1. This is an application made by the Applicant under date of March 26, 1970, to be certified as bargaining agent for a unit of employees of the Respondent employed at the Jasper Park Lodge, a hotel owned and operated by the Respondent at Jasper, Alberta.
2. As clarified by the Applicant during the course of the hearing on the application held by the Board on May 5, 1970, this unit of employees of the Respondent may be described as consisting of all employees of the Respondent employed at the Lodge excluding (a) employees in the engineering department as covered by an order of certification made by the Wartime Labour Relations Board in July, 1948, and by an existing collective agreement between the Applicant and the Respondent, (b) employees in the accounting department and front office employees, (c) casual employees, (d) sales employees and (e) the managerial, supervisory and confidential employees classified as follows: (1) manager, (2) executive assistant manager, (3) assistant manager (banquets and catering), (4) assistant manager personnel, (5) reservations manager, (6) assistant reservations manager, (7) food and beverage manager, (8) secretaries to manager and assistant managers, (9) chief clerk, (10) relief clerk (room salesman), (11) night clerk (room salesman), (12) mail and information clerk, (13) chief telephone operator, (14) social director, (15) swimming pool director, (16) senior nurse, (17) nurse, (18) head greenskeeper, (19) head gardenworker, (20) chief steward, (21) assistant chief steward, (22) executive chef, (23) camp kitchen chef, (24) sous chef, (25) maitre d'hotel, (26) assistant head waiter, (27) snack bar manageress, (28) head houseman, (29) head night houseman, (30) housekeeper, (31) first assistant housekeeper, (32) head staff matron, (33) assistant staff matron, (34) laundry supervisor, and (35) assistant laundry supervisor.

   The Respondent contends that the positions of head bartender and assistant housekeeper should be excluded from the proposed unit also on account of the exercise of management responsibilities.
3. The Lodge operation is an undertaking owned and operated by the Respondent under a long term lease from the Canada Department of Indian Affairs and Northern Development. Up until 1969 the Lodge was operated on a summer seasonal basis only but following the initiation of winter seasonal operations in the winter of 1969, is now operated by the Respondent on an all year around basis providing accommodation and attendant services and facilities for conventions, group meetings, tourists and other travelling public. The employees in the proposed bargaining unit consist of employees of the Respondent employed by it in the operation of the Lodge. The Lodge is one of a group of hotels owned and operated by the Respondent in Canada including the Nova Scotian Hotel, Halifax, N.S., the Chateau Laurier, Ottawa, Ont. the Fort Garry Hotel, Winnipeg, Man., the MacDonald Hotel, Edmonton, Alta., and the Lodge. The operation of these hotels is handled by the Hotel Department of the Respondent with its headquarters at the head office of the Respondent at Montreal, Que. According to the evidence the Hotel Department operation is an integrated part of the general undertaking of the Respondent authorized and carried on as such under the authority of the Canadian National Railways Act C. 29 S.C. 1955.

   The Applicant is the certified bargaining agent for units of employees of the Respondent in a number of these hotels including the Lodge under orders of certification issued at various times under the Industrial Relations and Disputes Investigation Act and is a party to collective agreements with the Respondent covering such employees. In other hotels units of employees of the Respondent employed therein are represented by another trade union as bargaining agent. The Applicant is the certified bargaining agent for a unit of employees of the Respondent in the engineers' department of the Lodge under an order of certification issued by the Board in 1948 who are covered by an existing collective agreement between the Applicant and the Respondent. As counsel for the Respondent freely admitted at the hearing on this application held by the Board, the Respondent had not raised the question of jurisdiction as to the application of the IRDI Act to employees of the

Respondent employed in the operation of any of these hotels in any proceedings before this Board or in respect of any other proceedings under the IRDI Act at any time prior to the present application. Neither was it suggested to this Board that the Lodge operation as presently carried on by the Respondent differs significantly in the manner of direction or operation from that pertaining to other hotels in the group operated by the Respondent nor that new circumstances have arisen which account for the change of attitude of the Respondent as evidenced by the raising of the jurisdictional issue at this time. While these considerations do not preclude the Respondent from raising the issue of jurisdiction as it has done on this application at this time, nevertheless the facts as related above, make it incumbent upon the Respondent to satisfy the Board on the basis of evidence and argument presented to it that the provisions of Part I of the IRDI Act do not apply to the employees of the Respondent employed in the operation of the Lodge and their employer the Respondent.

The Respondent submits (a) that the employees of the Respondent employed on the Lodge operation are not employed upon or in connection with a work, undertaking or business that is within the legislative authority of the Parliament of Canada to whom and to whose employer Part I of the IRDI Act applies as set forth in section 53 of that Act and (b) that the Respondent is not a corporation to which by virtue of the provisions of section 54 of that Act, Part I of the said Act applies. Section 54 reads as follows:

> "Part I applies in respect of any corporation established to perform any function or duty on behalf of the Government of Canada and in respect of employees of such corporation, except any such corporation, and the employees thereof, that the Governor in Council, excludes from the provisions of Part1".

Counsel for the Applicant submits that the hotel operations carried on by the Respondent including the Lodge operation are a part of the integrated undertaking carried on by the Respondent under the authority of and on and under the terms and conditions contained in the Canadian National Railways Act C. 29, S.C. 1955 and that this undertaking including the hotel operations is an undertaking which falls within the provisions of section 53 of the IRDI Act. Counsel for the Applicant further submits that in any event having regard for the provisions of the Canadian National Railways Act and the Canadian Railways Capital Revision Act C. 311, R.S.C. 1952 the Respondent is a corporation to which Part I of the IRDI Act applies by virtue of the provisions of section 54 of the said IRDI Act.

Upon consideration of the evidence and the arguments advanced by counsel for each of the parties and the provisions of the legislation referred to and cases cited in argument, the Board is of opinion that the provisions of Part I of the IRDI Act apply in respect of the Respondent and the employees of the Respondent employed in the operation of the Lodge.

4. Without prejudice to its submission on the issue of jurisdiction raised by it, the Respondent submits that the employees in the proposed bargaining unit employed at the date of the application are not representative either as regards numbers of employees or classifications of the employees who are normally employed during the summer seasonal period of operation of the Lodge comprising the period June to September inclusive. Respondent's evidence is that in this period the numbers of employees in the proposed unit would reach a total of approximately 450 employees, in some 110 employee classifications as compared with the number of 49 employees in 24 classifications at the date of the application. These totals of summer seasonal employment include temporary and casual employees employed in that period. This large increase in staff for peak summer seasonal requirements is provided in very large part by the recruitment by the Respondent of students hired by the Respondent on a temporary basis for the student summer vacation period approximately 400 out of the 450 total estimate as above, supplemented by casual help recruited from the locality of the Lodge. The additional supervisory and other skilled personnel required in the operation of the Lodge in this period are drawn in large part from the staff of other hotels operated by the Respondent.

5. The evidence is that while the Lodge had been operated in the period prior to 1969 solely as a summer seasonal resort hotel operation, it has been operated as from the early part of 1969 on an all year round basis to provide convention accommodation and facilities and other normal resort hotel accommodation and facilities.

   The Lodge staff in the proposed bargaining unit employed at the date of the application appears to have constituted the full complement of such staff on strength at that time of year. In the view of the Board in the light of the nature of the Lodge operation as presently carried on, the application cannot be regarded as being premature nor should it be rejected on this ground because it was made in March rather than in some other period of the year as for example June or October or December.

   However the Applicant claims the right to represent all non-supervisory and non-confidential employees in all departments of the Lodge operations including all temporary employees other than employees in the accounting department and front office employees, on the basis of the results of its organization efforts as shown by union membership standing at the date of the application. The Board is of opinion however that some consideration and weight should be given also in the circumstances to the extent of the representative nature of the union organization achieved by the Applicant in the several departments of the Lodge, as at the date of the application.

   The Board questions however the appropriateness of including in the unit of regularly employed employees the relatively large group of temporary employees consisting of students hired on a temporary basis for employment in the Lodge operation for the summer vacation period. In the view of the Board this group of temporary employees is a distinct and readily identifiable separate group. They have no reasonable expectancy of employment beyond the current summer period for which employed either in the Lodge operation or other hotel operations carried on by the Respondent. This group of temporary employees does not appear as employees to have interests in common for collective bargaining purposes with the regular or other employees in the proposed unit who are employed in the Lodge operation. The Board concludes that in the particular circumstances of the case, this group of student temporary employees is not appropriate for inclusion in the unit applied for as consisting of regular and other temporary employees.

6. As regards the disputed positions of assistant housekeeper and head bartender the Board is of opinion (a) that the position of the assistant housekeeper in this instance should be classified as that of first assistant housekeeper and as such excluded from the bargaining unit and (b) that the position of head bartender should be excluded from the bargaining unit having regard for the nature of the normal responsibilities attaching to the position.

7. The Board concludes on the basis of the evidence and having regard for the nature of the Lodge operations as presently carried on and the agreement of the parties in respect of a number of the specific exclusions from the proposed unit, that the following unit of employees of the Respondent employed at the Lodge is appropriate for collective bargaining namely:

   > All employees of the Respondent employed at the Jasper Park Lodge at the Town of Jasper in the Province of Alberta excluding
   >
   > (a) employees in the following departments namely the administrative department, the accounting department,

the front office department, the engineering department, and the telephones department,

(b) casual employees

(c) students hired on a temporary basis for the summer vacation period while so employed, and

(d) employees in other departments in the following classfications

(1) head greenskeeper
(2) head gardener
(3) guest snack bar manageress
(4) head bartender
(5) head waiter
(6) assistant head waiter
(7) head housekeeper
(8) 1st assistant housekeeper
(9) laundry supervisor
(10) assistant laundry supervisor
(11) chief steward
(12) assistant chief steward
(13) chef
(14) sous chef
(15) swimming pool instructor.

8. The Board finds the Applicant to be a trade union within the meaning of the IRDI Act.

9. The Board finds on the basis of the report of the Board's Investigating Officer following his check of the payroll records of the Respondent and the membership records of the Applicant as of the date of the application, that a majority of employees in the said bargaining unit are members in good standing of the Applicant. An order will issue accordingly certifying the Applicant as bargaining agent for the employees of the Respondent in the said bargaining unit.

Dated at Ottawa, July 7, 1970.

(Sgd.) A.H. Brown,
Chairman
For the Board

Maurice W. Wright, Q.C., Esq.) for the Canadian Brotherhood
David L. McWilliam, Esq.) of Railway, Transport and
M. K. Carson, Esq.) General Workers

J. M. Duncan, Esq.) for Canadian National
G. J. Milley, Esq.) Railway Company

Reasons for Judgment in Applications for Certification affecting:

Canadian Wire Service Guild, American Newspaper Guild, (Applicant)

and

Canadian Broadcasting Corporation, (Respondent)

and

Association of Radio and Television Employees of Canada, (Intervener)

The Board consisted of A.H. Brown, Chairman, and E.R. Complin, J.A. D'Aoust, A.J. Hills, Gerard Picard and R.C. Smith, Members. The Judgment of the Board was delivered by the Chairman.

Reasons for Judgment

1. These are three separate applications whereby the Applicant applies to be certified as bargaining agent for three separate regional units of employees of the Respondent described in the respective applications for certification as follows:-

(1) "all employees on the 'confidential' staff of the CBC Ottawa regional office excluding secretaries to department heads";

(2) "all employees on the 'confidential' staff of the CBC Newfoundland regional office excluding secretaries to department heads"; and

(3) "all employees on the 'confidential' staff of the CBC Toronto regional office excluding secretaries to department heads".

2. The Intervener is the certified bargaining agent for a system wide unit of employees of the Respondent which is comprised in the main of employees in clerical classifications in its offices including all regional office employees in these classifications under an order of certification issued by this Board under date of June 25, 1953. The unit includes also a number of other employees in miscellaneous classifications. The Intervener and the Respondent have been parties to successive collective agreements following upon such certification covering these classifications of employees, the most recent of which is a collective agreement which runs for a term of two years from April 1, 1968. This agreement covers all classifications of employees in the unit as defined in the Board's order of certification subject to such amendments thereto as have been and may be agreed to by the parties to the agreement including any person employed in any job or classification created in the future which the said parties agree to include in the unit. The agreement provides also that when mutual consent is not reached on such new or revised classifications the matter may be referred to this Board by either party for decision.

3. The employees in each of the proposed regional units for which the Applicant seeks certification are persons at present excluded from the bargaining unit covered by the existing collective agreement between the Intervener and the Respondent by reason of their employment in a confidential capacity in matters relating to labour relations. These exclusions are based upon the

exclusions from the unit as set forth in the aforesaid 1953 order of certification as revised from time to time thereafter by agreement between the parties or on reference to the Board.

4. The Applicant submits that none of the employees in the proposed regional bargaining units for which it seeks certification is now employed in a confidential capacity in matters relating to labour relations and claims that a majority of the employees in each such unit are members in good standing of the Applicant, and have thus signified their desire to bargain as a unit separate and apart from other employees in the regional office in which they are employed.
5. The Intervener submits that the employees in each of the proposed regional bargaining units fall within job classifications of clerical employees which the Intervener now represents as bargaining agent or perform functions similar to those performed by employees in these classifications and consequently, if the individual employees in the said proposed regional bargaining units are now held by the Board upon evidence as to the nature of their duties to be employees within the meaning of the Industrial Relations and Disputes Investigation Act, they fall within the scope of the bargaining unit which the Intervener represents as bargaining agent. The Intervener submits further that the groups of employees in question do not, in any event, constitute appropriate units for collective bargaining separate and apart from other employees in the same or similar clerical classifications in the system wide unit which the Intervener represents.

The Respondent submits and in the opinion of the Board has established by evidence given at the hearing that the employees in the proposed units fall within job classifications of clerical employees which are included in the unit which the Intervener now represents or which are of a similar nature. The Respondent submits that in any event, the proposed units are inappropriate for collective bargaining in that they include only a portion of the employees performing the same or substantially the same type of work in the same regional office and in other offices of the Respondent in its national system. The Respondent submits that the persons in the proposed regional units as these persons have been individually identified in particulars furnished the Board by the Applicant are employed in a confidential capacity in matters relating to labour relations but if the Board should determine on evidence that these employees or some of them are not now employed in a confidential capacity such employees would fall within the system wide unit of clerical employees represented by the Intervener as bargaining agent.

6. The Board is satisfied on the evidence that the employees in each proposed regional bargaining unit for which the Applicant seeks certification perform the same or substantially the same type of work as that performed by other clerical employees in the same regional office who are in the bargaining unit which the Intervener represents. Even if the Board were to find on a consideration of the evidence relating to the duties of the individual employees in the said unit that all of these employees are not presently employed in a confidential capacity in matters relating to labour relations, the Applicant has not satisfied the Board that at this time these employees constitute an appropriate bargaining unit separate and apart from other clerical employees in the same regional office in which employed and who fall within the established system wide bargaining unit of clerical employees which the Intervener represents.

The applications for certification are rejected accordingly.

Dated at Ottawa, May 5, 1970.

(Sgd.) A.H. Brown
Chairman
for the Board

David W. Scott, Robert J. Rupert, Gerald E. MacDonald,	for the Canadian Wire Service Guild, Local 213 of the American Newspaper Guild
D.K. Laidlaw, Q.C., Derek Nelson,	for the Canadian Broadcasting Corporation
Maurice W. Wright, Q.C., John C. Ward	for the Association of Radio and Television Employees of Canada

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CONCILIATION BOARD REPORTS
together with
CLRB REASONS FOR JUDGMENT

No 7, 1970

Conciliation Board Reports in disputes between:

B.C. Towboat Owners' Association and Seafarers' International Union of Canada

National Feeds Limited, Abbotsford, B.C., and Retail, Wholesale and Department Store Union

Reasons for Judgment in Application affecting:

T.J. McAllister et al (Applicants) and General Truck Drivers and Helpers Union, Local 31, International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers of America (Respondent)

MAR 2 1971

CANADA DEPARTMENT OF LABOUR

Hon. Bryce Mackasey, Minister

J.D. Love, Deputy Minister

Report of Board of Conciliation established to deal with dispute between:

B.C. Towboat Owners' Association

and

Seafarers' International Union of Canada

The Board of Conciliation was under the chairmanship of George W. Rogers of Vancouver. He was appointed by the Minister in the absence of a joint recommendation from the other two members, Philip Shier and Homer Stevens, both of Vancouver, who were previously appointed on the nomination of the company and union, respectively. The report was received by the Minister of Labour in August.

Hearings were held at Vancouver, B.C. on May 25, 26 and 27 and June 9 with the Board meeting on June 8, July 3, 27 and 28 of 1970.

In the course of this report reference is made to the following Exhibits and agreements filed with the Board during and after the hearings, the Exhibits and agreements referred to are not reproduced with this report.

Exhibit U. 3

This document submitted by the bargaining agent is headed "Draft proposals for a new agreement between the British Columbia Towboat Owners' Association and the Seafarers' International Union of Canada".

Exhibit E. 1

This agreement submitted by the Employer is dated July 1, 1967 and is between the British Columbia Towboat Owners' Association and the Seafarers' International Union of Canada.

Exhibit E. 3

This document was submitted by the Employer and became known as the "Ottawa Document" as it had been negotiated in Ottawa in December 1969 and subsequently rejected by both parties.

Guild Agreement

The Board understood that this agreement had been ratified by the Canadian Merchant Service Guild in June 1970. Where reference is made to this agreement it is understood that appropriate amendments would be made substituting "Union" for "Guild"; "Unlicensed Personnel" in place of "Officers" and "Seafarers' International Union of Canada" in place of "Canadian Merchant Service Guild".

During their deliberations the Board examined the contracts which had been submitted in an endeavour to arrive at an acceptable form of agreement which could have been recommended unanimously. Tentative agreement was reached on a number of items but unanimity could not be attained on the major items in dispute; nor can I agree entirely with either of my colleague's present positions, and for this reason I am submitting a seperate report as Chairman.

Accordingly I recommend that the parties renew their collective agreement using the "Ottawa Document" Exhibit E. 3 with appropriate amendments to give effect to the following recommendations:

Number of Clauses

The Board understood that the parties had agreed to a new numbering system for clauses by sections with each section carrying an Arabic numeral in order, and under each section a progressive numbering for that section.

Union Recognition

I recommend the wording from the "Guild Agreement" clause 1.01 (a) together with provision for using certification procedures provided by the Industrial Relations and Disputes Investigation Act in event of conflict with another union representing unlicensed personnel.

Stoppage of Work

The Board had reached tentative agreement on the inclusion of a new wording taken from the "Guild Agreement" clause 1.08 headed "Warranty of Continuous Operation". I so recommend.

Emergency Duties

I recommend deleting the second sentence from this section and substituting the following from the "Guild Agreement":

"Payment of overtime will not apply for the following exceptions:

1. Where the safety of the vessel is involved.
2. Where the safety of the tow is involved (off watch hours shall be paid at straight time).
3. When human life is in danger."

Crew's Quarters and Equipment

I recommend that part of Section 14 in E. 3 namely (a) 1. to 7 and (c) be retained to which would be added:

"With respect to both old and new vessels, decisions as to adequate accommodation and facilities shall be the subject of discussion and decision by the owners, the Union, the Officers of the Department of Transport who are properly qualified in the field of vessel construction.

"In the case of existing vessels,"

and then would follow paras (a) to (n) from section 1.23 of the "Guild Agreement".

Overtime Record

I recommend item 1.26 headed "Overtime Sheets" from the "Guild Agreement".

Welfare Plan

Tentative agreement was reached on using the wording from Exhibit U. 3 Section 15 on page 6 with the same heading and I so recommend.

Medical Services Association

Tentative agreement was reached on using the wording from Exhibit U. 3 Section 16 on page 6 with the same heading and I so recommend.

Manning (Unlicensed)

I recommend the wording from the "Guild Agreement" section 1.27 on pages 18 and 19 deleting paras (e) (k) and (1) c) and d). The following would be in place of (1) c); and the paragraphs relettered:

"c) If the dispute at this stage cannot be mutually resolved it will be handled under the terms of the Grievance Procedure set out in this Agreement."

Annual Vacations

I recommend the wording from the "Guild Agreement" on pages 8 and 9 items 1.14 and 1.15 with headings of "Annual Vacations" and "Annual Vacation Pay on Termination".

Statutory Holidays

I recommend item 1.16 from the "Guild Agreement".

Coffee Time and Lunches

I recommend that wording in the "Ottawa Document" be amended to provide for coffee breaks of "at least fifteen minutes" with both timing and length at the discretion of the Master.

Laid-up Ships

I recommend that the hourly rates be increased to agree with the new wage scales.

Clothing

I recommend item 1.22 with the same heading from the "Guild Agreement".

Hours of Work and Overtime

Recommend wording in E. 3 with provision in para (i) for a 15 minute call out with a minimum of one hour from time of call out and thereafter overtime in one-half hour periods.

Leave, Wage Commencement

I recommend the wording in Exhibit E. 3 plus the following from the "Guild Agreement":

Item 1.17 headed "Leave" paras (b) (c) (d) (f)

Shift Togs

I recommend the wording in the "Guild Agreement" section 3.01 on page 24 with exception of para (i) on page 25. New para (i) would be para (d) from Section 10 on pages 15 and 16 of Exhibit E. 3.

Eight Hour Shift Togs

I recommend the wording from the "Guild Agreement" section 3.02 on page 25 with same heading.

Twelve Hour Shift Togs

I recommend the wording from the "Guild Agreement" section 3.03 on page 25 with same heading.

Letters of Intent

I recommend the wording in Exhibit U. 3 Section 19 on page 17 with the same heading.

Duration of Agreement

I recommend a three-year agreement from October 1, 1969 to September 30, 1972.

Recommended Wage Settlement

1. All categories shown in Exhibit E. 3 increased over the rates in effect as at September 30, 1969 by the following:

Effective October 1, 1969	$ 65.00
Effective June 15, 1970	$ 35.00
Effective June 15, 1971	$ 35.00
Effective December 1, 1971	$ 40.00

2. Retroactivity (Settlement Pay) to be paid on the following basis:

(a) Settlement pay to include, straight time hours worked and overtime hours worked.

(b) Settlement pay to be paid to:

(1) All unlicensed personnel who have been employed on a continuing basis since September 30, 1969 with the present employer. Settlement pay to be paid within 30 days of ratification.

(2) Unlicensed personnel employed for all or any part of the period and who have terminated employment, provided application for such payment is made to the Company by the individual within 60 days from the date of ratification of this Agreement. Settlement pay to be paid within 30 days of such application.

3. I recommend no change in the calculation of overtime rates.

In my opinion the foregoing recommendations provide a proper basis for settlement of this dispute.

Dated at Vancouver August 10, 1970.

(Sgd.) George W. Rogers,
Chairman.

Report of Philip Shier

I have had an opportunity of reviewing Mr. Rogers' recommendations concerning the subject matter. Unfortunately, I cannot concur in his recommendations in total, and therefore submit this report as my own recommendations.

From the submissions made by the parties at the hearings before the Board of Conciliation it is at once obvious that intensive collective bargaining had taken place over an extended period. In fact, the parties, together with representatives of the Canadian Brotherhood of Railway Transport and General Workers' Union on December 20, 1969, at Ottawa, produced a collective agreement which was approved by the membership of the Canadian Brotherhood of Railway Transport and General Workers' Union. The Seafarers' International Union of Canada having rejected the Agreement, made certain alternative representations to the Conciliation Board.

In my view, the basic concept of the collective agreement proposed on December 20, 1969, provides adequate and appropriate language to reflect an equitable arrangement for the parties, provided however that certain changes are effected in the light of the agreement entered into between the B.C. Towboat Owners' Association and the Canadian Merchant Service Guild.

Because of the inability of the members of the Conciliation Board to reach unanimity, and having failed to reach a majority with respect to recommendations, I respectfully submit that the parties would be best served by adopting and executing a collective agreement in the form attached (not reproduced here). I would therefore ask you to accept the enclosed collective agreement as my recommendations to the parties.

Dated at Vancouver, August 14, 1970.

(Sgd.) Philip Shier,
Member.

Report of Homer Stevens

During the meetings which were held in Vancouver it was not possible for the members of the Board to reach unanimous agreement on a recommendation for settlement of the dispute.

It was also impossible to reach agreement between myself and the chairman of the Board on a majority report. Therefore, I am recommending adoption of the terms of a new collective agreement as submitted by the Seafarer's International Union representatives to the Conciliation Board on May 25, 1960. These terms are stated in "Draft Proposals For a New Agreement Between The British Columbia Towboat Owners Association and The Seafarer's International Union of Canada. (1970)" It was marked as document U-3 for purposes of identification by the Board.

In my view, the unlicensed personnel employed in the B.C. Towboat industry have presented, through their representatives, valid and logical arguments in support of their proposals. The evasion of responsibility coupled with adamant refusal to acknowledge the need for basic improvements in wages, working conditions, safety measures, living accommodation aboard ship and union security, on the part of the employers' representatives made it virtually impossible for the Board to effectively conciliate the dispute. In event the dispute reaches the stage of a strike by the employees, the loss of production can be placed in the context mentioned above plus the unusually lengthy delays since the union formally reopened the previous agreement.

Dated at Vancouver, August 26, 1970.

(Sgd.) Homer Stevens,
Member.

Report of Board of Conciliation and Investigation established to deal with dispute between:

National Feeds Limited, Abbotsford, B.C.

and

Retail, Wholesale and Department Store Union, Local 470

The Board was under the chairmanship of Reginald J.S. Moir of Kelowna, B.C. He was appointed by the Minister of Labour on the joint recommendation of the other two members of the Board, Thomas E.H. Ellis, Q.C. and L. Guy, both of Vancouver, who were previously appointed on the nomination of the company and union, respectively. The report was received by the Minister during September.

The Board met with the parties on August 14 and 17 and the Chairman met with the presentatives of the parties separately on August 14. All members of the Board gave a great deal of consideration to the situation before it.

It is unfortunate that the Board was unable to bring about any agreement between the parties on the issues between them.

At the first meeting of the Board the Union made it clear that it would insist on an agreement which included all the provisions of a contract now in existence between the Union and the Surrey Co-Operative Association. National Feeds Limited made it equally clear that such a contract, unless amended in part, would not be acceptable.

It is perhaps strange that the matter of wages did not appear to be an obstacle to agreement. While the parties did not offer assistance on this subject, the notation on present wages being paid in the plant, as compared with the Union's demand for wages, indicated little difference. The Board does not feel that wage schedules are or should be a bar to agreement and it does not feel it necessary to make recommendations in respect of wages.

The Board does feel that it might contribute somewhat to the eventual solution of the differences between the parties if it makes recommendations in respect of some of the points in dispute with the hope that the parties themselves can achieve agreement on the remaining articles of an overall settlement.

The Board therefore makes the following recommendations:

1. Union Security The Board recommends that the provisions for Union security, contained in Exhibit 4 of the proceedings before the Board, be incorporated into a collective agreement between the parties.

2. Hours of Work The Board recommends that the provisions for hours of work contained in Exhibit 4 be incorporated into a collective agreement between the parties, with the exception that

(a) an hours of work schedule will be set up by agreement.

(b) an employee may refuse to work overtime for a valid reason.

3. Sick Leave The Board recommends that the present practise of the Company in regard to sick leave be continued.

4. Vacations The Board recommends that the provisions regarding vacations contained in Exhibit 4, be included in the collective agreement between the parties.

The Board makes the above recommendations with some trepidation. It was apparent to the Board at the hearings that the union holds the position that only the present agreement which it holds with the Surrey Co-Operative Society will be acceptable in this dispute. It does not feel that the differences in the operations of Surrey Co-Operative and National Feeds are sufficient for any but the most minimal changes in the agreement.

The Company, does not accept this view.

The Board is of the opinion that the real differences between the parties are minute. It is of the opinion that the wording of the contract, and some minor conflicts in the content of an agreement, have been permitted to prevent a settlement which should have been achieved at an earlier stage.

It is to be hoped that the parties will concur in an agreement in which the major points are settled and the minor issues, which have apparently been permitted to prevent agreement to date — may be settled by reasonable compromise which will permit both union and company to continue work without costly interruption caused by unnecessary conflict over unessentials.

Dated at Vancouver, August 26, 1970.

(Sgd.) R.J.S. Moir,
Member

T.E.H. Ellis
Member

(Mr. Guy did not sign the report)

Reasons for Judgment in Application for Revocation of Certification Affecting

T.J. McAllister, et al, (Applicants)
and
General Truck Drivers and Helpers Union Local 31 of the International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers of America, (Respondent)
and
Hunt Transport Limited, Burnaby, B.C., (Employer)

The Board consisted of A.H. Brown, Chairman, and E.R. Complin, A.J. Hills and Gerard Picard, Members.

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1. By order dated the 20th day of April, 1970, the Union was certified by the Board as bargaining agent for a unit of employees of the Employer classified as drivers. This order followed upon an investigation by the Board of the payroll records of the Company and the membership records of the Union and subsequently a hearing held by the Board on April 14, 1970.
2. Under date of April 29, 1970, the Applicants made application to the Board for revocation of the aforesaid order of certification under Section 11 of the Industrial Relations and Disputes Investigation Act on the ground that the Union no longer represents a majority of the employees in the said unit.
3. The employer has filed notice of intention to intervene in the application but has not done so.
4. The Union contests the application and in its reply claims inter alia that it continues to represent the majority of employees in the unit for which certified and alleges that the Employer has committed breaches of Section 4 of the Industrial Relations and Disputes Investigation Act in obtaining signatures of a number of employees of the Employer to the letter of April 25, 1970, addressed to the Board requesting revocation of the certification of the Union as bargaining agent.
5. Section 11 of the Industrial Relations and Disputes Investigation Act under which the application for revocation of the order of certification is made reads as follows:—

   "Where in the opinion of the Board a bargaining agent no longer represents a majority of employees in the unit for which it was certified, the Board may revoke such certification and thereupon, notwithstanding sections 14 and 15, the employer shall not be required to bargain collectively with the bargaining agent, but nothing in this section prevents the bargaining agent from making an application under section 7."

6. The present application for revocation was made within a period of eleven days following the date of the issue of the Board's order of certification of which revocation is now sought. It is made in the form of a statutory declaration completed by one T.J. McAllister under date of April 29, 1970, to which is appended a petition signed by 15 persons claiming to be full-time employees of the Employer informing the Board therein that they do not wish to be represented by the Union and are thereby making application for revocation of the certification of the Union. Fifteen of the signatories including McAllister were shown on the payroll list of the Employer as employees of the Employer at that date in classifications comprising the bargaining unit for which the Union is the certified bargaining agent and in numbers they constitute a majority of the employees in the classifications comprising the bargaining unit at the date of the application for decertification.
7. In order to understand and appreciate the arguments advanced by counsel for interested parties at the hearing held by the Board on the present application it appears advisable to refer back to the proceedings in connection with the initial application for certification made by the Union on March 2, 1970, leading up to the order of certification now sought to be revoked.

   An undated and unsworn petition purporting to be signed by 25 persons and expressing their wish to oppose the application was received by the Board on March 19, 1970, under cover of a letter from the same solicitors who represent the Applicants in the present application for decertification. On the day this letter was received by the Board, namely March 19, 1970, the Chief Executive Officer of the Board wrote the solicitors in reply acknowledging receipt of the aforesaid letter and petition and pointed out therein (a) that the petition did not meet the requirements set forth in the Board's Rules of Procedure for the filing of an Intervention in opposition to the application for certification, and that these requirements were set forth in substance also in the Notice to Employees (CLRB form 33) which had been posted by the Employer at the request of the Board in prominent places in the several terminals in the Employer's establishment for the specific purpose of informing the employees of the particulars of the application and their right to intervene in the application and the manner and procedure for filing an intervention in opposition to the application if they wished to do so, and (b) that in the absence of a properly verified intervention providing the particulars required under the Board's Rules of Procedure, and filed with the Board within the period of time specified therein, the Board could not give weight to the documents forwarded in the letter nor was the Board in a position to give their clients notice of further proceedings or the opportunity to make further representations. No intervention was in fact filed with the Board subsequent to this letter of the Chief Executive Officer. Nevertheless, at the opening of the hearing before the Board on the application for certification, counsel for these employees appeared and asked leave of the Board to intervene at that time in opposition to the application and, as such, to participate in the hearing and further proceedings. Counsel for the Employer supported this request. Counsel for the Union opposed the request in view of the non-compliance with the Board's regulations and the consequent and prejudicial lack of notice to the Union. After considering the arguments advanced in this regard and before proceeding further with the hearing, the Board refused the request thus made and this decision was conveyed orally by the Vice-Chairman and Acting Chairman of the Board who presided at the hearing.
8. On the hearing of the present application for decertification counsel for the Applicants in submitting that the Board was warranted in granting the application for decertification notwithstanding that it was made within a period of eleven days following the date of the order of certification contended that the Board had erred in rejecting the attempted intervention of the employees on the initial application for certification to which reference has been made above, and that this constituted good reason for the Board to give effect to the present

application for decertification. He submitted substantially the same grounds in argument in support hereof as had been advanced to, considered and rejected by the Board at the hearing on the application for certification. The Board was requested inter alia to treat the present application as in effect an application for reconsideration of the Board's earlier decision under Section 61 of the Industrial Relations and Disputes Investigation Act.

9. It is evident from the timing of the present application for decertification that there has been no opportunity afforded to the Union since the date of certification to bargain with the Employer with a view to the completion of a collective agreement and in fact the mere making of the present application for decertification serves to frustrate any practical effort to initiate such bargaining pending the disposition of the application.

   The Board has held in a number of cases involving applications for revocation of an order of certification made under the authority of Section 11 of the Industrial Relations and Disputes Investigation Act that a newly certified bargaining agent should be accorded a reasonable period of time under the mandate which such certification confers upon the bargaining agent under the Act to negotiate with the employer of the employees in the unit for which it has been certified with a view to the conclusion of a collective agreement and that the Board in the exercise of the discretion vested in it under Section 11 of the aforesaid Act should not grant decertification in an application made within that period on the sole basis of evidence of a change in mind as to the wishes of a majority of employees in the bargaining unit unless there are attendant grounds advanced or circumstances existing which in the opinion of the Board warrant the Board in granting immediate decertification. See Tapp et al and Taggart Service Ltd. 64 CLLC para 16012 (contained in CLLC Transfer Binder 1964-64), Barkwell et al vs. Liquid Cargo Lines Ltd. 65 CLLC para 16023 (CLLC Transfer Binder 1964-66). See also Jarraud and CJMS Radio Montreal Ltd. 63 CLLC para 1167 (reported in CLLC vol. 2. 1960-64 p. 1166). To proceed otherwise would serve to frustrate the purposes of the provisions of the Act dealing with certification and would constitute an abuse of the processes of the Board.

10. The Board is of opinion that the circumstances of this case do not warrant an exercise of the Board's discretion under section 11 of the Act whereby the order of certification would be revoked. The Board also holds that a case has not been made for reconsideration and revocation by it under section 61 of the Act of the order of certification, even if the application for revocation were to be regarded as being made under that section.

    The application has been rejected accordingly.

Dated at Ottawa, June 23, 1970.

(sgd.) A.H. Brown,
Chairman for the Board

Terence E. Wolfe, Esq.
Vance Belton, Esq.
for Thomas J.
McAllister, et al.

John P. Nelligan, Esq.
for General Truck Drivers and
Helpers Union,
Local No. 31 of the
International Brotherhood of
Teamsters, Chauffeurs,
Warehousemen and Helpers of
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CONCILIATION BOARD REPORTS
together with
CLRB REASONS FOR JUDGMENT

No 8, 1970

Conciliation Board Reports in disputes between:

Bell Telephone Company of Canada and Office and Professional Employees' International Union

Eldorado Nuclear Limited and International Union of District 50, Allied and Technical Workers of United States and Canada

Hunt Transport Ltd. and General Truck Drivers and Helpers Local Union No. 31

McAllister Towing Ltd. and Canadian Marine Officers Union

Moncton Broadcasting Limited and National Association of Broadcast Employees and Technicians

Sabena Belgian World Airlines and Transport Workers Union of America



CANADA DEPARTMENT OF LABOUR

Hon. Bryce Mackasey, Minister

J.D. Love, Deputy Minister

Report of Board of Conciliation established to deal with dispute between:

Bell Telephone Company of Canada

and

Office and Professional Employees International Union

The Board, was under the chairmanship of Thomas C. O'Connor of Toronto. He was appointed by the Minister on the joint recommendation of the other two members of the Board, Jean Massicotte, Q.C. and Louis Gauthier, both of Montreal, who were previously appointed on the nomination of the company and union, respectively. The report was received by the Minister of Labour during October.

The Board of Conciliation is pleased to advise that on September 4, 1970 the negotiating committee for the Company and the Union signed a memorandum agreement.

However, at a meeting called by the bargaining committee for the union at which the terms of settlement were submitted to the union members for ratification the memorandum agreement was rejected.

By letter dated, September 16, 1970 the bargaining committee requested the Board of Conciliation to re-open negotiations and hear the submissions of the bargaining committee regarding the members concern about equal pay for equal work and the matter of commission rate for the Agency and Special Group.

The Chairman of the Board of Conciliation has considered this request and is of the view that additional meetings, now that a memorandum agreement has been signed, would not serve a useful purpose.

Considering the many issues in dispute the memorandum provides an acceptable settlement and the members of the union are encouraged to reconsider their position.

The terms of the agreement as set forth in the memorandum should be effective October 1, 1970 for 18 months.

Dated at Montreal, Oct. 1, 1970

(Sgd.) T.C. O'Connor,
Chairman.

Jean Massicotte,
Member.

Louis Gauthier,
Member.

Report of Board of Conciliation established to deal with dispute between:

Eldorado Nuclear Limited

and

International Union of District 50, Allied and Technical Workers of United States and Canada

The Board was under the chairmanship of J.B. Metzler of Downsview, Ont. He was appointed by the Minister of Labour on the joint recommendation of the other two members of the Board, F.G. Hamilton of Toronto and Fred Joyce of Sarnia, who were previously appointed on the nomination of the company and union, respectively. The report was received by the Minister during October.

The Board met with the parties on Monday, September 21, and again on Monday, September 28, at Toronto, Ontario and in executive session on October 5.

There are approximately 200 persons in the bargaining unit. The last collective agreement between the parties expired on May 31, 1970 and negotiations have been carried on either between the parties direct or with the assistance of a Conciliation Officer up to July 30, 1970 when a Board of Conciliation was appointed. The formation of the Board was completed on August 26, 1970 with the appointment of the Chairman.

A great deal of effective work was done by the parties in direct negotiations and with the assistance of the Conciliation Officer. At the first meeting of the Board with the parties held on September 21, 1970, there was a complete review of the respective positions of the parties and the day was spent in clearing away unfinished or unsettled matters relating to the provisions of a new collective agreement. A considerable amount of time was also spent on selective wage adjustments, on problems in connection with persons working in the laboratory and other classification matters raised in negotiation.

At the second hearing held on Monday, September 28, 1970, the parties were able to advise the Board that they had resolved the matters considered at the first hearing. They were still apart on three major items:

(a) date of commencement of the contract
(b) retroactivity
(c) general wage increase

Up until the date of the first hearing the Company had been talking in terms of a 2-year contract and the Union of a contract for one year. There is no doubt in the minds of the members of this Board that at the close of the formal proceedings the parties were negotiating for a 2-year contract.

The Board makes the following recommendations on the matters still outstanding.

(a) that the parties enter into a new collective agreement to run for a period of 2 years from the first day of September, 1970.

(b) (i) that the Company pay a lump sum of $120 in lieu of retroactive pay to all employees who were on the Company's payroll on June 1, 1970 and continued thereon up to and including October 5, 1970.

(ii) that the Company pay to all employees who do not qualify under (i) above and who are on the payroll as of October 5, 1970 a pro rata lesser amount based on $120 for all hours actually worked, holidays and vacations to count.

(c) that the Company grant and pay general wage increases as follows:

1. Effective October 5, 1970, 17 cents an hour.
2. Effective September 1, 1971, 18 cents an hour.

(d) that the Company make effective selective adjustments, adjustments for laboratory personnel, and to other persons as agreed to in negotiations, on October 5, 1970.

(e) that the Company put into effect any other adjustments on the date that the new collective agreement is executed or as heretofore agreed between them for future introduction.

The Board further recommends that all other matters agreed to between the parties at any stage of negotiation including the proceedings before this Board be accepted by the parties and incorporated in the new collective agreement.

Mr. Joyce dissents on the term of contract, retroactivity and wage adjustments recommended herein and his position is set forth in an addendum hereto.

Dated at Toronto, Oct. 6, 1970

(Sgd.) J.B. Metzler,
Chairman.

F.G. Hamilton,
Member.

Fred J. Joyce,
Member.

Addendum of Mr. Joyce

The undersigned dissents and recommends as follows:

(a) that the new collective agreement run for a period of two years from June 1, 1970.

(b) that the Company grant a lump sum payment in lieu of retroactive pay of $150 to all employees on the payroll of the Company on June 1, 1970 and who are still employed and pro rata lesser amount for new employees hired after June 1, 1970.

(c) that the Company grant 25 cents per hour effective on October 5, 1970 and a further 25 cents per hour on June 1, 1970.

Dated at Toronto, Oct. 6, 1970

(Sgd.) Fred Joyce,
Member.

Report of Board of Conciliation established to deal with dispute between:

Hunt Transport Ltd.
and
General Truck Drivers and Helpers Local No. 31

The Board was under the chairmanship of B.W. Dysart of Victoria, B.C. He was appointed by the Minister in the absence of a joint recommendation from the other two members of the Board, W.J. Wallace, Q.C. and John Colling, both of Vancouver, who were previously appointed on the nomination of the company and union, respectively. The report was received by the Minister of Labour during October.

The Board held a hearing and heard the parties at Vancouver, B.C. on October 6, 1970. Subsequently the Board held discussions and deliberation on its findings and recommendations.

At the hearing the company took the position that the conciliation proceedings were contingent upon the Court's upholding the validity of the union certification and Mr. Macdonald advised the Board that this issue was presently before the Courts.

The hearing revealed the following issues outstanding between the parties:

1. The geographic jurisdiction claimed by the Union for the extent of 100 miles from the Burnaby terminal.

The Board cannot recommend the jurisdiction granted by the certification to be extended to 100 mile radius of the Burnaby terminal and this would have to be a term that the parties could work upon during the course of the Agreement.

(The problem is compounded by the insistence of more than one union serving the Company's various units and the contracting and mode of procedure carrying out the Company's business which is presently in practice.)

2. Payments for 1970 of a rate of up to 5c per hour over and above the rates paid in the General Master Agreement, Appendix A.

3. The payment of an increase in the rates of pay of a further 30 cents per hour on January 1, 1971 and a further 10 cents per hour on July 1, 1971.

4. The additional payment of 7 cents per hour in lieu of the Company providing a pension.

5. The role of part-time employees.

6. The reduction of damage to freight by means of having the employees sign a form recognising their responsibility for damage caused by their negligence.

With respect to the reduction of damage to freight arising out of the negligence of the employees, we feel the Company should rely on its common law rights to enforce recover for such damage but it is perfectly free to give notice to the employees of the consequences which will arise from their causing damages as a result of negligence.

(It would appear to be advantageous if the parties would work out a specific grievance procedure for damage of this nature.)

7. The introduction of a medical plan as good as or better than that provided in Appendix B, such medical plan to be introduced by the 1st December.

We understand that the company is in the course of assembling such a plan and will present it to the union for approval before the 1st of December.

8. It was agreed by the parties that a general amendment should be made which would have the effect of restricting the certification to the Burnaby terminal and that a catch-all clause to eliminate any conflict of jurisdiction would be devised and inserted in the agreement.

Insofar as the terminology of the respective articles of the agreement is concerned, except for the items hereinafter referred to, after considerable review it became apparent both parties were close to a mutual understanding of what the provisions should contain.

The Board therefore recommends that the parties enter into a collective agreement in the form of the General Master Agreement 1969/1970 subject to the following changes:

Article II

Delete the words "save as hereinafter expressly provided" on the fourth and fifth lines and substitute the words "and who are employed at the Company's Burnaby terminal".

Article III

Section 3

Delete the following words from the eighth and ninth lines "and/or their assessorial charges as levied against him by the Union"

Section 4(b)

Delete the word "shall" on the first line therein and insert the word "may".

Section 5(a) – Delete.

Section 5(b)

After the word "materials" in the second line thereof add "Burnaby terminal".

Section 5(c) – Delete.

Section 5(d)

At the commencement of the section add the words "At the Burnaby terminal,"

Section 5(e) – Delete.

Article IV

Section 3 – Delete.

Article V

Section 1 – Delete

Article VI

Section 2 – Delete the last paragraph.

Section 3 – Delete.

Section 7

Delete the words "within each branch" and substitute the words "within the Burnaby terminal"

Section 11(b)

Delete the words "90 days" in the last two lines of the first paragraph thereof and in the first two lines of the last paragraph and substitute therefor the words "six (6) months"

Article VIII

Section 1(c)

Delete the words "branch division or area of operation" in the last line and substitute therefor the words "Burnaby terminal"

Article VIII

Section i(d) – Delete.

Article IX

The parties indicated they were prepared to mutually agree that employees be paid on the first and fifth of each and every month.

Article X

Section 1(b) – Delete.

Section 2 – Delete the third paragraph.

Article XV

Section 1

In the eighth line delete the words "each terminal or yard" and substitute the words "Burnaby terminal" and add to Section 1 the words "by the Company representative appointed for that purpose"

Section 2

Delete the words "appoint or" in the first line.

Article XVII

Section 2

Delete the last word "maintenance" from the 11th line and delete the last three lines of that section.

Article XVIII

Delete the words "except line drivers" in the first line.

Article XXI

Delete the words "A1, A2, A3, A4, A5, A6, A7, A8 whichever is appropriate" from the second and third lines.

Article XXIII

Section 1(b)

Delete the words "in each unit" in the second line and delete the "section 3" in the third line of the second paragraph.

Section 1(c)ii

Delete the words after the word "off" in the second line.

Section 1(g)

Add to the last paragraph the following words "in 1970 and one hour in 1971"

Section 1(h)ii – Delete.

Section 1 (i) – Delete the last sentence.

Section 1(j) – Delete.

Article XXV – Delete.

Article XXIX

Delete the latter half of the first paragraph commencing with the word "provided" in the sixth line down to the words "grievance procedure" in the last line.

Step 3

Add the words "and delivered to the Company" after the word "made" in the second last line.

Article XXX – Delete.

Article XXXI

Section 1

Delete and substitute the following "This Agreement shall be in full force and effect from the 22nd April, 1970 until the 31st December, 1970 and the second year of the Agreement will be from January 1st 1971 to December 31st 1971 subject to the provisions of the Agreement."

Section 3 – Delete.

DATED at Vancouver, B.C., Oct. 9, 1970.

(Sgd.) B.W. Dysart,
Chairman

John Colling,
Member

W.J. Wallace,
Member

Burnaby Terminal Wage Schedule

Classification	Rate per Hour April 22, 1970
Pickup Drivers	$3.73
*Dockmen	$3.73
*City Tractor Drivers (Single or tandem)	$3.83
Lead hands	$3.88

*City Tractor Drivers-tandem get 5 cents additional per hour.

*Dockmen when operating forklift get additional 5 cents per hour.

*The Company will pay 7 cents per hour etc. in lieu of providing a pension for the employees.

(The parties will have to reach their own agreement on whether the 5 cents per hour provided in the Master Freight Agreement should apply for the year 1970 and whether the rate per hour increase for 1971 should be on the basis of 30 cents for the first six months and then 10 cents for the last six months or on the basis of 20 cents for the first six months and 20 cents for the last six months.)

Report of Board of Conciliation established to deal with dispute between:

McAllister Towing Ltd.

and

Canadian Marine Officers Union

The Board was under the chairmanship of A.C. Dennis of Lakefield, Ontario. He was appointed by the Minister in the absence of a joint recommendation from the other two members, Leo Bouvier and Victor McManiman, both of Montreal, who were previously appointed on the nomination of the company and union, respectively. The report was received by the Minister of Labour in September.

The hearing took place at Ottawa September 2, 1970. There are two collective agreements negotiated by the C.M.O.U. and McAllister Towing. One for the captains and one for the engineers. Presentations were made by the parties to the Board separately. After a full day of trying to negotiate with the parties, the Board felt it could best serve the interests of both parties by making its recommendations to the Honourable Minister of Labour.

First however for the purpose of clarity, the parties agreed that in the captains' agreement Clause 18, Insurance Benefits, should read:

A. – Blue Cross, Group Insurance and Pension Plan to continue as before.

B. – However when Medicare comes into effect in Quebec the Company will discontinue Blue Cross coverage and will contribute 50 cents per man per day under the existing C.M.O.U. Welfare Plan.

The items referred to the Board were as follows: Article 8 – Rates of Pay; Article 19 – School Plans and Sick Leave (now resolved); Article 10 – Duration of Agreement.

The Board met September 3 in an executive session and agreed on the following recommendations:–

1. Engineers' contract only – The Board recommends that the Company establish a pension plan as soon as possible at an estimated cost of four per cent.

2. Both contracts to be renewed for a period of one year from and including June 1, 1970 to May 31, 1971, without further change other than the recommendations of the Board herein.

Dated at Lakefield, Ont., Sept. 25, 1970.

(Sgd.) A.C. Dennis,
Chairman

Leo Bouvier,
Member.

Victor McManiman,
Member.

Report of Board of Conciliation established to deal with dispute between:

Moncton Broadcasting Limited
and
National Association of Broadcast Employees and Technicians

The Board was under the chairmanship of Lorne O. Clarke, Q.C. of Truro, Nova Scotia. He was appointed by the Minister on the joint recommendation of the other two members of the Board, J.E. Murphy and E. Johnston, both of Moncton, who were previously appointed on the nomination of the company and union, respectively.

The dispute was settled with the assistance of the Board and a two-year collective agreement has been signed between the parties. The report was received by the Minister of Labour in October.

The Board first met with the parties in Moncton on May 12, 1970. At the beginning of the hearing each of the parties mutually agreed to the following propositions:

1. This Board of Conciliation is regularly established and properly constituted;
2. Each party has received proper and adequate notice of the hearing;
3. Apart from the names of the parties and the preamble to a Collective Agreement, all other areas were in dispute and unsettled.

All the representatives of each party were given a full opportunity to be heard during each meeting of the Board and each was given the opportunity to ask questions of the other, so the Board could have the benefit of as much information and exchange of opinions as possible.

Subsequently, the Board held meetings with the parties, at which all members of the Board were present on June 11, August 13, 14, 24, 25, and September 8 and 9, 1970.

In the interim, the Board arranged numerous meetings between the parties at which members of the Board were not present, but during which the parties continued to work in an attempt to resolve various areas of continuing difference in the dispute.

Finally, a Memorandum of Agreement was prepared on September 8, 1970, and concluded on September 9, 1970. Since that time, a collective agreement has been prepared and accepted by the two parties to this dispute.

Dated at Truro, Nova Scotia, Sept. 28, 1970.

(Sgd.) Lorne B. Clarke,
Chairman.

J.E. Murphy,
Member

Edward Johnston,
Member.

Report of Board of Conciliation established to deal with dispute between:

Sabena Belgian World Airlines
and
Transport Workers Union of America

The Board was under the chairmanship of J.C. Pelech of Hamilton, Ontario. He was appointed by the Minister in the absence of a joint recommendation from the other two members of the Board, Andre Belisle and Professor J.C. Weldon, both of Montreal, who were previously appointed on the nomination of the company and union, respectively. The report was received by the Minister of Labour during September.

This was a Board of Conciliation and Investigation appointed to endeavour to bring about agreement between the parties respecting the terms to be incorporated into a collective agreement commencing on the first day of October, 1969 governing conditions of employment.

The Board met in Montreal on August 8, 1970, to hear the parties and deliberate, and communicated again by telephone on August 9 and September 2 and 3.

The dispute involves 22 members of the Union including 7 cargo agents and 15 traffic agents employed in Montreal, Quebec.

The Conciliation Officer's report of April 27, 1970 lists many matters of contention between the parties. However, the Union advised at the outset of the hearing that all differences had been disposed of by agreement of the parties with the sole issue being the quantum of wages, remaining to be settled.

The first agreement settled by the parties commenced October 1, 1967 and was to expire October 1, 1969 which agreement contained a "wage re-opener clause" to be settled for October 1, 1968.

The "wage re-opener clause" comprising a seven per cent wage increase plus a five per cent cost of living increase was settled and resulted in a twelve per cent increase in wages. The increase at that time resulted in a differential of 16 cents in wages between the Canadian union and its United States counterpart.

By negotiation between the Company and the United States counterpart union an agreement was completed between them calling for a fifteen per cent increase effective October 1, 1969 and a ten per cent increase effective October 1, 1970. The old United States agreement did not have a "wage re-opener clause" during the life of its previous contract.

Consideration must be given to the United States settlement as aforesaid and recent settlements negotiated in the airline industry in Canada. In addition, consideration has also been given to the "wage re-opener" settlement of October 1, 1968 in the total amount of 12 per cent.

On a total deliberation of all the data and information presented (quite completely by the parties) and cognizant of the somewhat different prevailing circumstances in the United States, my recommendation is as follows:

To the hourly basic rates of pay effective at the expiry of the agreement dated October 1, 1967 there shall be added,

(a) effective October 1, 1969 at eleven per cent.
(b) effective October 1, 1970 at nine per cent.

Dated at Hamilton, Ont., Sept. 9, 1970

(Sgd.) J.C. Pelech,
Chairman,

J.C. Weldon,
Member;

Addendum By Mr. Weldon

Having accepted Mr. Pelech's reasoning, and not wishing to sacrifice the effect of a majority report, I have joined in the main report, but add that had I reported on my own, I would have judged that this same reasoning should have produced for this small group the U.S. settlement of 15 and 10 per cent.

Minority Report by Mr. Belisle

On May 25, 1970, the undersigned was appointed member of a Conciliation Board to deal with the dispute between the above-mentioned parties.

On August 28, 1970, the Conciliation Board, duly established under the terms of the federal legislation (152 R.S.C. 1952) sat in Montreal to assess the claims of the said parties. This Board consisted of Mr. J.C. Pelech, Chairman, Mr. J.C. Weldon and the undersigned.

After the investigation, the three members of the Board met to discuss the matter. During the discussions, the Chairman proposed to the two other members that they join in a unanimous recommendation suggesting a 20 per cent wage increase, that is 10 per cent for the first year and 10 per cent for the second year. Neither Mr. Weldon nor the undersigned could accept this proposal there and then: this recommendation being considered too low by Mr. Weldon and too high by the undersigned.

In view of this deadlock, the members of the Board unanimously agreed on the following alternative: either all the members would support a recommendation suggesting an increase of 20 per cent over two years, or each member would submit a particular and separate recommendation. Time was granted to Mr. Weldon and the undersigned to make a final decision on agreeing or disagreeing to a unanimous recommendation.

Following this agreement, the undersigned informed the Chairman of the Conciliation Board that he could not join in a unanimous recommendation on the proposed basis. Under the circumstances, due to the agreement unanimously reached by the members of the Board, three separate recommendations should reach the Department.

At the beginning of the hearing, the parties informed the Board that only the wage item remained in abeyance. Agreement had been reached on the other matters in dispute.

As for the wage item, the company's latest offer suggested a total 14 per cent increase over a two-year period, that is 7 per cent the first year, and 7 per cent the second year. The union's latest request prior to the hearing suggested either an increase of 29 per cent over a two-year period, or a 37 per cent increase over a 30-month period.

The union maintained that this dispute was all based on a matter of principle, namely the acknowledgment of wage parity between the Canadian and American employees; the sole purpose of the increase requested was and is to reflect this parity money-wise.

With examples chosen from different areas of industrial activity, the union attempted to show that the gap between the wages paid in the United States and Canada had been reduced over the past several years. As for the specific wages paid to the air transportation employees, various tables showing the wages paid by several airline companies were produced.

The company claimed that the basis for any agreement between the parties on monetary issues should not be related to the notion of parity, but rather to the notion of fair and just wages considering the Canadian economic situation. In order to determine what could be fair under the circumstances, the company showed, on the one hand, certain exhibits to show the general fluctuation of wages in Canada and, on the other hand, comparative tables of wages paid in Canada to airline employees performing duties similar to those of the company employees at the Montreal airport.

Before developing a specific recommendation concerning a wage increase, it appears imperative for the undersigned to give an opinion, in the first place, on the question of principle, that is on whether, in this case, an increase should aim at reflecting wage parity between Canadian and American employees or, on the contrary, should tend to reflect fair and just wages, taking the Canadian economic context into consideration.

In my opinion, wage parity can only exist when the two groups compared are similar in all areas of human activity, and more particularly in the areas of social and economic activity.

As it is not the common view that the living standards of Americans and Canadians are equal, preliminary evidence should have been submitted to show the similarity of both standards of living; following this evidence, it would have been possible to discuss parity. No evidence as to this similarity was submitted to the Conciliation Board. Much to the contrary, it appears, according to some documents produced by the Company, that the American cost of living is higher than the Canadian cost of living; in fact, these documents establish that for the period between Spring 1969 and Spring 1970, the cost-of-living index in the United States rose 7.6 points compared to 5.7 points in Canada for the same period.

The evidence submitted by the union to show the existence of wage parity between the two countries is paradoxically preponderant to the effect that this parity does not exist.

The undersigned feels that, after analyzing the evidence and in the light of the principles already stated, there can be no question of

granting in the dispute which is submitted to us an increase such as would establish wage parity with the American workers.

Nevertheless, I do not intend to contend the wage comparisons submitted by the union, most of which only refer to American agreements; however, as for the increases granted in these agreements, they must be considered cautiously, carefully and warily.

The evidence submitted by the company tends to show the Canadian economic situation, and the comparisons submitted relate to Canadian industries.

In my opinion, here are the criteria to be taken into account when drawing up a recommendation:

(1) The wages paid to the employees of Sabena in Montreal must be fair and just, and should there be parity, it must be in relation to wages paid in Canada in the air transport industry;

(2) The purpose of the recommendation should not be to be able to boast of having brought about the solution of the dispute submitted;

(4) As a member of a board operating in the federal jurisdiction, the undersigned feels that, although not bound by the government policies concerning the standards of wage increases, this board cannot however completely ignore the economic policy of the Federal Government suggesting maximum increases of 6 per cent;

Two similar documents were produced by each of the parties, namely comparative lists of wages paid by various airline companies. These two lists differ somewhat, and the undersigned prefers to use as a guide for comparison purposes the document submitted by the company rather than that submitted by the union, for the following reasons:

(1) The comparisons in the list produced by the company are based on wages paid by airline companies to their employees living in Canada. On the contrary, in the list submitted by the union the criteria of comparison relate mainly to wages paid in the United States.

(2) The classes of employees used in the comparative list submitted by the company perform, as shown by the evidence, the same duties as the employees of the Sabena Company in Montreal. On the contrary, this resemblance of duties does not appear in the list submitted by the union. Now, the latter reflects wages paid to mechanics or wages paid to agents, without specifying, and no evidence was given to this effect what were the duties of these agents. Consequently, it is impossible to establish a comparison of duties between the agents mentioned in the exhibit produced by the union, and the agents of the Sabena Company in Montreal.

Let us take as a typical case an employee of Sabena having been in the employ of the company for 36 months. His wages at the expiry of the collective agreement were $623 a month. Taking for granted that the union would obtain an increase of 29 per cent over two years, the minimum monthly wages of the said employee would be increased to $804 in October, 1970, in comparison with the following wages:

Company	Date	Amount
Lufthansa	January, 70	$630.
BOAC	February, 70	$633.
Swissair	June, 70	$828.
KLM	April, 70	$611.
Air Canada	March, 70	$713.

On the other hand, the increase proposed by the company would set the monthly wages of this employee at $714 on October 1, 1970.

It is then easy to find that with an annual increase of 7 per cent, the wages paid to the company employees would move beyond the average wages paid. The company offer thus appears fair to me.

Nevertheless, as the Head Office of the company is located in Belgium, the employees of this company working in Montreal see their chances of promotion as being limited. Thus, an employee of Air Canada working in Montreal at the same level as a company employee has more chances of promotion than the latter because the Head Office is right there. The undersigned feels that this factor must be taken into consideration by the company in setting its wage policy concerning its employees working in Montreal. This shortcoming could be compensated by a wage increase of 1 per cent a year.

I thus feel well advised to recommend, an increase of 16 per cent over a two-year period, namely 8 per cent for the first year, and 8 per cent for the second year.

Dated at Montreal, Sept. 10, 1970

(Sgd.) André Bélisle,
Member.

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Reasons for Judgment in Applications affecting:

Association of Canadian Television and Radio Artists (Applicant) and Radio Station CFRA Limited (Respondent) and Lowell Green et al (Interveners)

Seafarers' International Union of Canada (Applicant) and Desgagnés Transport Inc. (Respondent)

CANADA DEPARTMENT OF LABOUR

Hon. Bryce Mackasey, Minister

J.D. Love, Deputy Minister

Report of Board of Conciliation and Investigation established to deal with dispute between

Buffalo and Fort Erie Public Bridge Authority

and

General Truck Drivers' Union, Local 879

The Board was under the chairmanship of Judge W.S. Lane of Picton, Ontario, appointed by the Minister of Labour on the joint recommendation of the other two members of the Board, R.A. Williamson of Toronto and H.A. Davidson of Hamilton, who were previously appointed on the nomination of the company and union respectively. The report was received by the Minister in December.

The issues referred to the Board were extensive. They consisted of proposals advanced by the Union for amendments to eight articles in the agreement which range through management rights, seniority, hours of overtime, holidays, vacation, uniforms, general provisions and duration. In addition, the Union asked for amendments to Schedule "A" which involved wages and classifications, and amendments to Schedule "B" which involved improvements to the pension plan, life insurance, cost of welfare, allowance for some of their accumulated sick leave time as personal leave, an improvement in the accumulation of sick leave to provide that there be no cut-off, and a request for severance pay on retirement. The Authority also asked for an amendment to Article 5 by the addition of the word "picketing" in Clause 5.1. There was a further Authority request for an amendment insofar as Clause 7.3 was concerned.

It appears that some few of the difficulties have been settled and we propose at this stage to deal with them individually commencing with Article 3.1. The Union further requested at the second meeting that Article 3 be amended by amending Section 3.1. It appears, according to the Union, that under the old practice those employees who were involved in bargaining and limited as set out in Section 3.1 had been allowed to book off work on any day in which they might be required to negotiate and that they were paid their regular wages for that day, and at the meeting in these negotiations they were merely paid for the time consumed in the negotiations and for a reasonable time required to get back on the job, and therefore the Union is asking that this clause be clarified, as they put it, for the purpose of carrying out their understanding of its former meaning. The Authority takes the position, on the other hand, insofar as this particular request is concerned, that there never was a negotiation carried on under the terms of this clause because this is the first negotiation in which the clause was operative and effective, because this is the negotiation, the first negotiation that follows the adoption of the clause in question, and therefore any other practice which may have been had would have not been under the authority of this particular clause in the current agreement which is, incidentally, the first agreement between the parties.

In dealing with Clause 3.1, the Union takes the position that an employee who is required all day to be present at negotiations, if he is doing so on time which is not the shift that he is required to be on duty on, is at the end of the day not physically able to take over and go on his regular shift, and therefore a provision should be written in to allow him to book off as they say the original practice was, and that he should not thereby suffer loss for not being able to carry out for this reason his normal duties. The request, therefore, is understandable from the standpoint of the Board and resolves itself into one of principle as to whether or not the employer should or should not pay for negotiation by their employees as required in this request There are two schools of thought here: One is that the persons at the bargaining table who are bargaining for the employees are essentially performing a function not only for their fellow employees but also for the employer, because they are regularizing the negotiation procedure and carrying out a function which essentially is in the interest not only of the employees but of the employer as well. Against this theory, the rather practical reply is that essentially they are not acting in a capacity that is in the interests of the employer but rather is totally in the interests of the employee and, as such, should in reality be paid by the employees and not by the employer. In adopting the terms as are presently in the Agreement, the Authority has approved the principle of payment for services rendered in bargaining and have incorporated a clause in the Agreement which on basic principles appears to be fair. In our view, therefore, we do not feel that is a case where the Union should insist on the position they are taking. It may be that the administration of the agreement has not been satisfactory, but if there is a breach of it, surely this is a matter for grievance rather than a request at this time for alteration of the terms of the Agreement itself. We do not feel, therefore, that this is a place where the Authority should be asked to alter the present wording of the Agreement in this regard.

The next issue which is before us is the Union request with regard to Management Rights, Clause 4.1. In view of the fact that this appears to have been a matter of agreement between the parties now, it requires no recommendation from us and the clause that should be written into the new contract, in our view, by virtue of the agreement between the parties should be the clause as presently exists in the said contract.

The next issue appears to be involved in Article 5, Clause 5.1, and involves merely an addition of the word "picketing" after the word "slowdown" in the said article. The present section reads:

> 5.1 "So long as this agreement continues to operate the Authority agrees there will be no lock-out and the Union agrees there will be no interruption or impeding of work, work stoppage, strike, sitdown, slowdown or any other interference with the operations of the Authority by the Union or by any employee."

The Authority has asked, as we have said above, that the word "picketing" be added. In the light of the wording of the article in question, in the view of the Board the addition of the word makes no difference in the meaning of the section. This applies both to the Authority and to the Union. The Union resists it, apparently because the Authority has asked for it and because they seriously object to the word itself being added into the agreement; and while it was pointed out by the Chairman to the Members that in his view there was actually no difference in the section with the word in or the section with the word out, the Union still maintain that in their view this was a most serious matter and they were not going to agree to the addition of the word. In the general overall view of the Board Members, we have come to the conclusion that since the word really

adds nothing to the section, the Authority should be willing to drop their request for it and write in the section as it presently exists.

The next issue involves Article 7. This is first a Union request essentially for an amendment to Article 7.1 to change ninety calendar days to sixty calendar days. In our view, the request for the change has not in essence been made out and we do not feel that we can recommend that this particular request be granted. Insofar as the other request under this article involving Section 7.4, it appears that if the Authority were willing to drop their request for the addition of the word "picketing" in connection with Section 5.1, the Union would go along with their seniority proposals by way of amendment to Sections 7.3 and 7.4, as proposed by the Bridge Authority on the 17th of June, and a copy of which was included in the Authority's brief as Appendix 2. The Board have come to the conclusion in the light of our recommendation that the word "picketing" be not added under Section 5.1, that the Union should very well be prepared at this stage to carry out their undertaking to agree to the new proposed seniority provisions as set out in the memorandum above referred to, and since Sections 7.3 and 7.4 were the only ones at issue under the seniority provisions, the rest of the article should be re-written in its present form.

The next issue to which we come involves Article 8. This involves an Authority proposal and is tied with the issue of whether or not the Union has a right to represent part-time employees at all. There is no doubt that part-time employees are not within the certification of the employees to be represented by the Union in Canada, because that certification excludes management, clerical and supervisory personnel as well as students and teachers hired as temporary employees and persons regularly employed for not more than twenty-four hours per week. The Authority concedes, however, that Clauses 8.4 and 8.6 have a logical reason for being in the agreement. Section 8.4 reads as follows:

> 8.4 "Neither temporary nor part-time employees shall be hired for the purpose of depriving a regular employee on the same shift of any overtime work,"

and

> 8.6 "Save as mentioned in Article 7.3, no temporary or part-time employee shall be employed while an employee with seniority is on layoff and no temporary or part-time employee shall be hired for the purpose of reducing the regularly scheduled work week of the full-time employee."

The Authority takes the position that nothing else within this article has any reason for being in it, in light of the fact that the persons covered by it are not the responsibility or business of the Union at all. In the light of the certification and without agreement of the Authority to expand the bargaining rights to the Union in spite of the exclusion from the certification, this Board has essentially no authority to deal with this matter because the content of the bargaining unit is a matter for the Labour Relations Board and not a matter for a Board of Conciliation, and the Labour Relations Board has seen fit to rule on this particular item and, therefore, we feel that we have no right to become involved in a recommendation on this point, and we therefore leave this matter without recommendation.

The next issue involves Article 15, Hours of Work and Overtime. The Authority has requested an amendment to Clause 15.1 and have asked that this section read as follows:

> "The regular working week shall consist of 40 hours in five days of eight hours each."

The old section was much longer and reads as follows:

> 15.1 "The regular work week shall consist of 40 hours worked in five days of eight hours each, provided that each fourth week will consist of 48 hours worked in six days of eight hours each. When an employee is scheduled to work such 48-hour week, Article 15.3 shall apply to the last eight hours of that week. The provisions of this paragraph for a work week of 48 hours each fourth week shall apply only to employees who, because of the nature of their job classifications, were regularly scheduled to work such hours in accordance with the shift schedule which was in effect on April 1st, 1968."

It will be seen, therefore, that the old section provided for certain employees to receive an eight hour regular turn for overtime work every four weeks; in other words, a guaranteed tour of overtime duty once a month. The Authority seeks to eliminate this clause which, according to the Union, got into the agreement at the instance of the Authority. The Union objects to having it deleted, taking the position that it is a reduction in entitlement of the worker and, therefore, is not acceptable. There have been various offers of gradual elimination of this clause made to meet this objection, but the fact still remains that none of the offers have been acceptable to the Union, and the Authority feels that this is something that must go from the agreement either on a graduated scale basis or immediately. The Board recognizes that once a provision is written into an agreement which provides for some financial benefit, that it is a most difficult thing to remove. The Board, therefore, have come to the conclusion that while we recognize that this is a matter which must go ultimately, an amendment should be worked out between the Union and the Authority to deal with it on the following basis:

(1) It must be recognized first that the benefits of this arrangement will continue up to the time when a new contract is entered into.

(2) The Board is of the opinion that a reasonable solution for this problem would be that for the period from the time of the signing of the new agreement to the anniversary date of the contract, namely the 1st of April, 1971, that the Authority guarantee to the persons affected that they will receive four hours guaranteed overtime work per month, and that on the anniversary date of the agreement, the 1st of April of 1971, the guarantee of overtime be eliminated.

In our view, there is no real foundation for this type of overtime and it is against all principles of overtime which is intended to be a deterrent to require personnel to work beyond scheduled hours and, therefore, we feel that it must be eliminated during the currency of this agreement.

Section 15.2 purports to be a new clause requested by the Union and provides for a guaranteed minimum of forty hours per week for anyone who may be required to report for work during any week. The Authority resists this very strongly on the ground that they are not guaranteeing a minimum work week and that they are not prepared to enter into an agreement which provides for it. Clause 15.6 is also a new request and a new clause requested by the Union, which requires the payment of overtime for work on the second shift of two shifts which fall within a twenty-four hour period. The Authority takes the position on this that so long as they have a rotating shift system, they cannot avoid on some occasions such an event happening and that it is not practicable or at all satisfactory to them that such a provision be written into the agreement. The Board has not been satisfied that either of these two provisions are reasonable or that they could be worked out with any reasonable result. We do not feel that they can be worked out in a practical way at all, and we do not feel that we can recommend that an overtime basis be written into the agreement as requested in Clause 15.6. We recommend, therefore, that the new agreement be written without the inclusion of either of these clauses in it.

The terminology set out in 15.7 and 15.8 does not appear to be an issue between the parties at this time, and the Union has agreed to drop 15.9.

The next issue appears to involve Article 17. The request under 17.1 is for the addition of Boxing Day and Easter Monday. In our

view, the Authority might very well bend a bit in this aspect and we feel that it would not be a particularly serious matter from their standpoint if they allowed Boxing Day 1971 as an additional statutory holiday and we, therefore, recommend it.

Section 17.3 appears not to be an issue, as it is provided for by law and should be covered in the new contract.

The Union has requested a new clause 17.5, which request reads as follows:

17.5 "If a holiday occurs on an employee's scheduled day off, the employee will be paid time and one-half his regular rate on his first scheduled day back to work plus straight time for his normal day's work."

The request explains itself. The Authority resist the request because they take the position that if the employee is on a holiday and it falls on a day when the employee would not be required to work, he gets his holiday pay which is required under the agreement, and since he didn't have to work there is no issue of overtime involved, and that if he had had to work and had been scheduled to work, he would have been paid his holiday pay plus his work pay, and there is therefore no reason why he should get time and one-half when he does come back to work on his scheduled day if it happens to be the next day, that this is nothing but a pyramiding of pay and essentially being paid for nothing. The view of the Board is that we agree with the Authority's submission and we reject this request as a ridiculous request in our view.

The next request involves Article 18 and this appears to have been agreed to between the parties with the deletion of the last sentence in the suggested clause, so that the new clause will read:

"Vacation schedules shall be finalized and posted by April 30th of each year."

The next article that appears to be in issue is Article 20 involving uniforms. The request here is for a winter coat with hood or with hat each year insofar as the traffic men are concerned. The janitor and boilermen are requesting two same uniforms as the Maintenance Department, which apparently involves two pairs of coveralls, and insofar as the Maintenance Department they are asking for rainwear to include rubber boots. This Board has not been satisfied that the request here is valid. It isn't a large item, but we feel that before we would make a recommendation that it be met by the Authority, we would have to have considerably more basis for that recommendation than we have at this time.

The next issue involves Article 25. The Union requests Section 25.1:

25.1 "Supervisors will not be permitted to perform work normally done by employees in the bargaining unit."

This request, in our view, might very well make considerable difficulty in its application. This Board approves basically a provision that supervisors be not permitted to work if by so doing they are in any way prejudicing either the regular work of an employee or the availability of overtime to the employee, but on occasion in an emergency situation it might be essential that a supervisor lend a hand and, therefore, we feel that the parties can get together on a proper provision for limiting the right of the supervisors to work in emergency situations, if necessary. The Authority has proposed a clause to cover this situation, which in our view admirably does just that, and this section reads as follows:

"Except under emergency conditions or for purposes of training or instruction, supervisory employees shall not work in any job which is currently being performed by employees in the bargaining unit, if such would cause a layoff of the employee in the bargaining unit who normally performs such work."

In our view, as we have said, this admirably covers the situation. The only possible suggestion that we can make which might help the Union in understanding the situation would be if we suggested that this Authority suggestion be expanded to cover the question of availability of overtime to an employee, and we suggest that a new clause be written in which would read as follows:

25.1 "Except under emergency conditions or for purposes of training or instruction, supervisory employees shall not work in any job which is currently being performed by employees in the bargaining unit, if such would cause the layoff of an employee in the bargaining unit or would reduce the availability of overtime to any employee in the bargaining unit who normally performs such work."

Clause 25.2 has been dropped by the Union; and Clause 25.3 has been agreed to providing it has a limiting clause in it that over fifty per cent of the personnel in the bargaining unit make the request for it to be implemented.

We then come to the issue of duration, and this is a Union request that it be effective from April 1st, 1970 to March 31st of 1972. In our view, in the light of the fact that it is almost 1971 by the time this agreement could be signed, it would be far better if it could be extended for a further period of a year, but by reason of the fact that the issue is one which is tied so closely with the issue of wage, it would seem to this Board that we can make no formal recommendation in this regard because it must be left in the final analysis to the negotiation of the parties on the issue of wage rates after this Board has reported its findings to the Minister, and we therefore leave it with only that type of recommendation.

We then come to the issue of wage and the demands with regard to changes in Schedule "A". The Union demand essentially made and held throughout the contract negotiations up to the Conciliation Board stage would seem to be an increase of their present wage schedule for carpenters, electricians, plumbers and mechanics, who were paid at the beginning of these negotiations at $4.05 per hour, to $5.05 per hour effective April 1, 1970 and that that rate should be increased by another 80¢ as of the 1st of April, 1971. The second demand was that stationary engineers be fixed at a rate of $4.25 as of the 1st of April, 1970 and that that should be increased a further 80¢ to $5.05 on the 1st of April, 1971. Not only does this contemplate an existing classification but it contemplates the raising and combining of classifications, because under the present classification there is a boilerman who received at the beginning of these negotiations $3.15 per hour and a second classification of boilerman who received $3.04 at the beginning of these negotiations. This would mean that for the boilerman with fifteen years service the increase requested would amount to $1.10 per hour, and in the case of the other boilerman who had not that length of experience it would call for $1.21 per hour and a further increase of 80¢ on the 1st of April of 1971. The next classification demand was that maintenance men be paid as of the 1st of April, 1970 at $4.40 per hour, and on the 1st of April, 1971 at $5.20 an hour, and this also carries with it a combination of classifications because Maintenance 1 at the beginning of these negotiations was to be paid at $3.05 per hour, Maintenance 2 after fifteen years of service was to be paid at $3.40 per hour, and Maintenance 2 without this length of service was to be paid at $3.30 per hour; so for the man with the long service the request for the immediate increase was $1.00 an hour, for the Maintenance 2 man without a long service the demand was $1.10 an hour and for the Maintenance 1 it was a demand of $1.35 an hour. The next classification involved in the demand was for janitor, that the janitor be paid as of April 1, 1970 at $4.10 and as of April 1, 1971 at $4.90. This would be a demand of $1.10 increase for the janitor with fifteen years service and for the janitor without that long service $1.18 per hour; and they ask for further increase as of the 1st of April of 1971 to $4.90 which would add another 80¢ at that time. We then come to the next classification, which is traffic director, and in this case they ask for a wage of $4.29 as of the 1st of April, 1970 and $5.09 as of the 1st of April, 1971, and again this involves bringing all traffic directors into one

classification and involves therefore different rates of increase. For the traffic director with fifteen years service, it involved $1.00 an hour for the increase demand for the 1st of April, 1970, $1.13 per hour for the traffic director who has ten years service and $1.24 for the traffic director other than the aforesaid two. They also demand a rate increase for those persons listed under A.3 who are the temporary employees under Article 8.1 who are hired as traffic directors from $1.90 to $2.30. They ask for an amendment that would delete the words "premium pay" from A.6 where there is a provision that there shall be no pyramiding of overtime or premium pay. And then they make a further request that there shall be a verty substantial change in shift premium. Originally the demand was for a 15¢ shift premium for the afternoon shift, a 20¢ premium for the night shift and a 20¢ premium for anyone working as an acting supervisor, and 20¢ premium for all work done on Saturday and Sunday. In addition, they ask for a cost-of-living allowance to be superimposed on all these various other rate changes.

The Authority has countered these proposals on Schedule "A" by offering a rate increase on present outstanding categories or classifications of 20¢ per hour as of the 1st of April, 1970, 10¢ per hour upon the execution of the agreement, and a further 15¢ per hour on the 1st of April, 1971.

The Union has taken the position that the Authority are not realistic and are not serious in their bargaining when they make these offers; and the Authority takes the position the Union are not even in the 'ball park' when they make their demands which in their submission are not only completely ridiculous but are fantastic as well.

The Board was advised at the hearing that there had been negotiations on the American side of the Bridge, which had resulted in certain recommendations made by the fact finder, Prof. Kochery, which recommendations apparently were to some degree influenced by his appraisal of rates of pay insofar as the Detroit Ambassador Bridge was concerned. It also appears that he had before him, as we have had, the references made to the rates of pay being paid on the Niagara Falls Bridges, which appear not to be of any particular interest to the aforesaid fact finder. The only comment that we have to make at the comparisons is first that the rates presently paid on the Peace Bridge are higher than the rates that are presently being paid on the Niagara Falls Bridges. It may be that the flow of traffic handled on the Peace Bridge is greater than the flow of traffic on the Niagara Falls Bridges, but it certainly is a fact that cannot be denied that the general labour rates in the Windsor-Detroit area are substantially higher than the wage rates in the Fort Erie area or the Niagara frontier area, and in our view the conditions which exist in Fort Erie and in Niagara Falls would be far closer to a reasonable comparison than the conditions which exist in the Windsor area. While we have every respect for Prof. Kochery's point of view, we are in no position, in our view, to adopt it here as a basis of comparison between these employment rates. If there was to be a comparison at all, the proper one in our view would be the Niagara Falls Bridges and not the Ambassador Bridge in Windsor and Detroit. We were instructed, however, that not only was the Bridge Authority not satisfied with Prof. Kochery's award but that the Union themselves rejected it and were not satisfied with it, therefore, from their standpoint.

We feel that we must here relate the demands here to the economy generally. It has been a matter of common knowledge that there have been what is known as guide lines suggested which, if implemented, comtemplate a 6% per year increase in wages and a like amount of increase in prices. The Chairman of this Board has often felt that such an imposition of guide lines or suggestion of guide lines, if you will, is somewhat futile in that neither wages nor prices are likely to be restrained merely by the pious hope expressed in those terms, and that probably if such guide lines are required they would have to be imposed by Legislation to be effective, and these negotiations to a great degree carry out the thinking of the Chairman because here, as we have outlined above, the demands have far exceeded any basis upon which an increase of six per cent could in any way relate. The first four classifications have asked, as we have set out, for $1.00 an hour increase which would be 26.6% and the other increases some of them are even greater than this. Even the Authority's offer of 20¢ per hour as of April 1, 1970 represents something very nearly equivalent to a 6 per cent offer, and when you add another 10¢ as of the completion of the agreement it is a further 21/2% or more additional, and another 15¢ next year would be another substantial increase on this. The result, therefore, would seem to us to be even from the Authority's standpoint very ample so far as the guide lines themselves are concerned and these increases the Union terms 'not realistic'. While it is true that we feel we cannot in any sense as a Conciliation Board be bound or even influenced too greatly by the guide lines, they nevertheless are a factor because they do represent the thinking that an increse of a greater amount represents an inflationary move and is, therefore, most undesirable under present conditions.

This Board, after hearing the representations and after seriously sifting the positions of the parties, have felt that the Union would be well advised to accept an increase of 20¢ per hour on their present rates effective as of the 1st of April, 1970. We feel further that the rates should be increased as of the date of the signing of the new agreement by a further 20¢ per hour. In our view, on the anniversary date of the agreement there should be a further increase of 25¢ an hour.

Insofar as the other issues involved in Schedule "A", we do not see why we should make any recommendations insofar as the part-time help covered under the rates in A.3, as these are not within the certification of the bargaining unit and, therefore, are not within the scope of the Union's bargaining rights and are therefore, of no interest to the Union or should not be. Insofar as A.6 is concerned, we are not prepared to recommend elimination of premium pay from the clause in question. Insofar as A.8 is concerned, we see no reason why the shift differentials that are presently in effect should not be continued. We reject completely the thinking involved in the Union's demands here. In our view, it is not a request which could or should be considered by the Authority. In our view, employees who work on Sundays and Saturdays, in view of the fact that they are on a rotating shift, are not entitled to a premium for work on those days. These days are regular work days insofar as their employment is concerned, and to treat them as premium days is just a backhand way to open the door for an increase that is not contemplated in the rates. We feel the rates that we have recommended are reasonable, there is no reason for a back door opening in addition to those rates and we, therefore, reject the request for a premium rate for those days as it applies to rotating shift personnel. In addition, we reject the demand that the premiums or shift differential be included in the hourly rate for the purpose of calculating overtime. Insofar as A.9 is concerned, the Bridge Authority has rejected the demand and we see no reason here that has been advanced by the Union which would dictate any Conciliation Board in making a recommendation that on top of the rates that have been negotiated here there should be a further basis for rate increase. In our view, the new agreement should be written without any provision being made under the terms of this request.

We then turn to Schedule "B". The Union's request here is B.1(a) a demand for improvements of the pension plan to be negotiated. The pension plan in question is a relatively new pension plan and one which appears to this Board to be a reasonably generous plan. There has been nothing shown to us and nothing suggested by the Union that would make us come to a conclusion that there was any basis for this request other than desire. In our view, the Authority is justified in rejecting it. The demand in B.1(b) was a demand that the life insurance be adjusted so that there would be no reduction in the life insurance carried on the person who has retired. In our view, this is a demand which would seem to be one

hat could be eliminated. The Authority resists it and in our view it s one of the demands which could hardly be made at this stage. 3.1(d) is a request for the payment of the full cost of O.H.S.I.P. to ›e paid by the Authority effective the 1st day of the month ollowing ratification. In this regard, this Board has come to the conclusion that this may very well be a provision which could be ncluded in the contract when effected, effective the 1st day of April of 1971. So far as B.2 is concerned, the request here involves a request that the employees be allowed six days personal leave from sick time each year; and (b) that there be no cut-off on the accumulation of sick time. It appears to us that the Union may not ›e serious about these demands. In the first place, sick leave is not a holiday concept. Sick leave is granted for the purpose of protecting the individual from the unforseeable difficulties of illness, and to give him time to recover. To utilize it as an additional holiday is, in the view of this Board, flying directly in the face of the whole concept of sick leave. We feel, therefore, that we are bound to reject it on this ground alone. And insofar as the unlimited accumulation of sick leave is concerned, this in our view becomes a question of possibility or otherwise and it becomes a cost factor of importance. In our view, we see no reason why the Authority should at this stage be asked to make such a concession. Insofar as B.3 is concerned, this is a request for severance pay at time of retirement. The Authority here by virtue of its pension plan has provisions for taking care of the individual by this means. A payment of severance pay is merely an additional cost to the Authority and an additional benefit to the employee, and we are not at this stage dealing with an employer who has unlimited funds at his disposal to use for this type of purpose. We see no basic argument where there is a valid pension plan of relatively generous proportions that severance pay should be granted, and we therefore recommend against it.

We then come back to the question of duration. We realize that there may be some considerable dispute between the parties in connection with the final negotiations for an agreement based upon the demands and rejections of the parties, and even based upon the findings and recommendations of this Board. It may be that it will be a basis for fruitful negotiations for the parties to canvass the possibility of a third year duration of this contract. We are not prepared to recommend to the parties that it be for a period of three years, but we do suggest to them that they keep an open mind so that if it would become possible to arrive at a solution based upon a longer contract than a two-year one, that it might be done. We make this suggestion remembering that by the time the negotiations are complete on the basis of this report or otherwise, that there will of necessity have elapsed a substantial time and we will be well into the year of 1971, and to leave it a two-year agreement would mean that negotiations would have to start in a relatively short time after the conclusion of the 1970-71 agreement. This from every standpoint becomes unfortunate and frustrating; and we would suggest again on this basis too that consideration be given by the parties to enlarging the term of the contract to a three-year rather than a two-year agreement.

DATED at Picton, Ontario this 21st day of December, A.D. 1970.

(Sgd.) Wilfrid S. Lane,
Chairman.

(Sgd.) R.A. Williamson,
Member.

Board of Conciliation report dissent of

A.H. Davidson, Union Nominee.

Upon the conclusion of the meeting convened with the parties by the Board of Conciliation on November 19th, the Chairman advised me that he would be in touch with me, and immediately left. I was afforded no opportunity of discussion with him as to what form etc. the report might take.

I have now had the opportunity of reading his proposed draft report and final revised report, and find that I must dissent, and, not being privy to his reasons for the form and approach taken in the report, I find that my role is limited to that of making comments, I am a critic as it were. So be it.

The agreement between the parties expired on March 31st, 1970.

Very little in the way of progress was achieved in the bargaining between the parties prior to meetings convened by Mr. K. Hulse, Conciliation Officer, on June 16th and June 17th, 1970.

No meetings were held by the parties, for the purpose of bargaining, between the meetings convened by the Officer and those convened by the Board, and no significant progress was made at those meetings with the Board.

As of November 19th, seven months and nineteen days had passed and the parties remained as they were in the beginning, completely divided and far apart in most of the original bargaining demands.

The Conciliation Board report when released by the Minister will, at one and the same time, be in the hands of the parties when action is taking place to set strike or lockout deadlines, (it being inescapable in this case) and be in the hands of the parties when, for all practical purposes, no bargaining has taken place.

It is under these circumstances that the parties will be presented with a report that recommends set line solutions for practically each and every matter that is in dispute between the parties.

In my opinion this approach in this dispute in unrealistic.

Even so: Surely all conciliation boards that make recommendations that propose areas of settlement, should, in the light of their functions and in tune with recognized reality, submit such recommendations in a conciliatory manner and in a conciliatory approach.

I quote from the Chairman's "AWARD" (from a covering letter).

> "—it must be eliminated we reject this request as a ridiculous request — not only ridiculous but fantastic as well (quoted from Authority) — we reject completely the thinking — it is not a request which could or should be considered — (the request) is just a back hand way of opening the door — there is no reason for a back door opening — we reject the demand — the Bridge Authority has rejected the demand — the Authority is justified in rejecting it — it appears the Union may not be serious about this demand — we are bound to reject it —".

This type of language surely must turn the parties away from adoptive thoughts.

I make one more quote from the report.
"The payment of severance pay is merely an additional cost to the Authority and an additional benefit to the employee, and as we are not at this stage dealing with an employer who has unlimited funds at his disposal to use for this type of purpose."

I wish to state that as a member of the Conciliation Board I was at no time made aware of the Authority's economic situation, whether limited or unlimited in respect to their funds, at this stage or any other stage, or to use for this type of purpose or any other purpose.

In conclusion I find that the report is not a document that can be of use to the parties in arriving at a settlement of their legitimate issues. My impression during the meetings convened by the Board

were that each party in their dealings with the other were perhaps too wary but that no issue had lessened the good relationships enjoyed by them (both parties confirming this) during the first year that they were under collective agreement. I commend them to further effort.

Hamilton, December 21st, 1970.

A.H. Davidson,
Union Nominee.

Report of Board of Conciliation and Investigation established to deal with dispute between

Chateau Laurier Hotel

and

Canadian Brotherhood of Railway,
Transport and General Workers

The Board was under the chairmanship of Thomas C. O'Connor of Toronto, appointed by the Minister of Labour in the absence of a joint recommendation from the other members of the Board, Robert H. McKercher, Q.C., of Saskatoon and Gordon McCaffrey of Ottawa, who were previously appointed on the nomination of the company and union, respectively. The report was received by the Minister in January.

The Board of Conciliation, established in the above matter, met the parties in Ottawa, Ontario.

The Company was represented by:

W. G. Foster, Manager, Chateau Laurier,

P. A. McDiarmid, Labour Relations Assistant, Montreal.

The Union was represented by:

J. R. Grealy, National Representative.

The Board of Conciliation is pleased to advise that on December 21, 1970 the negotiating committee for the Company and the Union signed a Memorandum Agreement.

The terms of the agreement as set forth in the Memorandum should be effective March 1, 1970 and shall remain in force until May 31, 1972. A copy of the Memorandum of Settlement is attached.

Dated this 11th day of January, 1971.

(Sgd) Thomas O'Connor,
Chairman.

Robert H. McKercher,
Member.

Gordon McCaffrey,
Member.

MEMORANDUM OF SETTLEMENT between the Chateau Laurier and the Canadian Brotherhood of Railway, Transport and General Workers, respecting Employees of the Chateau Laurier, Ottawa, Ontario.

It is agreed:

1. Effective January 1st 1971, Article 11.1 (Statutory Holidays) shall be amended by the inclusion of Remembrance Day as a Statutory Holiday.
2. Effective January 1st 1971, Article 12 (Vacations) shall be amended to provide for fifteen working days' vacation with pay after ten years of continuous employment relationship and twenty working days' vacation with pay after eighteen years of continuous employment relationship.
3. Effective January 1st 1971, Article 19 (Health and Welfare) shall be amended to provide that the Company will assume the fifty per cent portion of the premium payable by such participating employees each month for basic benefits under the benefit plan of employees of Canadian Railways.
4. Effective with the signing of this Memorandum, Article 20.9 (Bereavement) shall be amended by the inclusion of father-in-law and mother- in-law in the list of relatives for which bereavement leave shall be allowed.
5. Effective March 1st 1970, rates of pay shall be increased by fifteen (15) cents per hour. Effective March 1st 1971, the fifteen cents per hour will be increased by a further twelve (12) cents per hour.
6. Effective July 1st 1971, inequity adjustments to the total amount of twenty-five hundred dollars ($2,500.00) shall be granted to certain classification so set out in Appendix "A".
7. Article 4.16 shall be amended to read as follows: Within any particular classification within a department, preference shall be given in accordance with seniority as to allocation of days off, shifts, holidays, vacation and the like, subject to employee exercising having the required qualifications.
8. Article 16 in Training for Promotion shall be amended to read as follows: "Employees shall be encouraged to learn the duties of positions other than their own with the Company. For this purpose, opportunity shall be afforded in their own time and/or during their regular working hours, provided that such arrangement does not interfere with the performance of their regularly-assigned duties. The Company may also for this purpose make arrangements with employees to exchange positions for temporary periods without affect upon the rate of pay of the employees concerned."

"Training Outside Normal Working Hours"

An employee required by the Company to take training during his normal working hours will be paid his regular rate of pay while training.

"Training Outside Normal Working Hours"

An employee required by the Company to take training outside his normal working hours will be compensated at his regular rate of pay while in training.

Where training facilities are provided by the Company on a voluntary basis, an employee taking advantage of such training will not be compensated.

"Voluntary Training"

Where training facilities are provided by the Company on a voluntary basis, an employee taking advantage of such training will not be compensated.

9. Article 3.12 shall be amended to read as follows:

"In accordance with the Constitution of the Canadian Brotherhood of Railway, Transport and General Workers, an employee working less than 60 hours in a calendar month, or such other number of hours as may be from time to time specified by the Constitution, shall receive a refund of his dues paid for that month upon application in writing to the local Union."

10. Article 3.1 shall be amended by the addition of the words:

"and/or part-time employee" after the work "employee" on line 3 of the Article.

11. COVERAGE

Employees who were in the service of the Chateau Laurier on March 1st 1970, or who were employed subsequent thereto, shall, providing they have not been dismissed from the service, or left the service of their own accord prior to the signing of this Memorandum, be entitled to any amount of increased compensation that may be due them for time worked subsequent to February 28, 1970.

12. DURATION OF AGREEMENT

This Agreement is in full settlement of all requests served on the Company by the Brotherhood on or about January 21, 1970, and requests served on the Brotherhood by the Company on or about February 13, 1970. This Agreement, except as otherwise specified herein, shall become effective March 1, 1970, and shall remain in force until May 31, 1972, and thereafter subject to sixty days' notice in writing from either party thereto of its desire to revise, amend, or terminate it, which notice may be served any time subsequent to April 1, 1972.

Signed at the City of Ottawa in the Province of Ontario, this 21th day of December, 1970.

(Sgd)

Manager,
Chateau Laurier

Local Chairman

General Manager
of Hotels

Regional Vice-
President

Classification	Present rate on Feb. 28/70	Meals and/or Lodging	March 01, 1970	July 01, 1970	March 01, 1971
	$		15¢		12¢
SECTION I					
FRONT OFFICE AND CLERICAL STAFF					
CLASSIFICATION GROUP "A"					
Room Clerk	2.37	0	2.52	0	2.64
Night Clerk	2.16	0	2.31	0	2.43
Reservation Clerk	1.83	0	1.98	0	2.10
Office Clerk	1.62	0	1.77	1.82	1.94
CLASSIFICATION GROUP "B"					
Clerk Stenographer	1.91	0	2.06	0	2.18
Engineer's Clerk	2.02	0	2.17	0	2.29
CLASSIFICATION GROUP "C"					
Front Office Cashier	1.90	0	2.05	0	2.17
Food Service Clerk	1.71	0	1.86	0	1.98
CLASSIFICATION GROUP "D"					
Telephone Operator (Night)	1.76	0	1.91	0	2.03
Telephone Operator	1.66	0	1.81	0	1.93
SECTION II					
BELLMAN'S DEPARTMENT					
CLASSIFICATION GROUP "A"					
Bell Captain	1.85	0	2.00	0	2.12
Night Bell Captain	1.43	0	1.58	0	1.70
Bellman	1.40	0	1.55	0	1.67
Lobby Boy	1.40	0	1.55	0	1.67

Classification	Present rate on Feb. 28/70	Meals and/or Lodging	March 01, 1970	July 01, 1970	March 01, 1971
CLASSIFICATION GROUP "B"					
Doorman	1.52	0	1.67	0	1.79
Watchman	1.57	0	1.72	0	1.84
SECTION III HOUSEKEEPER'S DEPARTMENT					
CLASSIFICATION GROUP "A"					
Asst. Housekeeper	1.51	3 & R	1.66	0	1.78
Asst. Housekeeper	1.67	0	1.82	0	1.94
Linenkeeper	1.57	3 & R	1.72	0	1.84
Linenkeeper	1.73	0	1.88	0	2.00
Seamstress	1.59	0	1.75	0	1.87
CLASSIFICATION GROUP "B"					
Head Houseman	1.79	0	1.94	0	2.06
Head Night Houseman	1.69	0	1.84	0	1.96
Window Cleaner	1.68	0	1.83	0	1.95
Houseman	1.71	0	1.86	0	1.98
Banquet Houseman	1.57	0	1.72	0	1.84
CLASSIFICATION GROUP "C"					
Maid	1.24	3 & R	1.39	0	1.51
Maid	1.40	0	1.55	0	1.67
Maid (Night)	1.28	3 & R	1.43	0	1.55
Maid (Night)	1.44	0	1.59	0	1.71
Cleaner	1.41	0	1.56	0	1.68
SECTION IV CHEF'S DEPARTMENT					
CLASSIFICATION GROUP "A"					
Chef de Partie	2.61	3	2.76	2.82	2.94
Pastry Chef	2.61	3	2.76	2.82	2.94
Baker	2.43	3	2.58	2.64	2.76
First Asst. Cook	2.13	3	2.28	0	2.40
Butcher	2.61	3	2.76	2.82	2.94
Pastry Cook	2.23	3	2.38	0	2.50
General Asst. Cook	1.89	3	2.04	0	2.16
Asst. Butcher	2.16	3	2.31	0	2.43
Kitchen Attendant	1.51	3	1.66	0	1.78
CLASSIFICATION GROUP "B"					
Head Counter Girl	1.57	3	1.72	0	1.84
Counter Girl	1.37	3	1.52	0	1.64
SECTION V STEWARD'S DEPARTMENT					
CLASSIFICATION GROUP "A"					
Receiver	2.15	0	2.30	0	2.42
Storekeeper	2.15	0	2.30	0	2.42
Wine Storekeeper	2.14	0	2.29	0	2.41
Asst. Storekeeper	1.68	0	1.83	0	1.95
Kitchen Steward	1.85	0	2.00	0	2.12
CLASSIFICATION GROUP "B"					
Silver Burnisher	1.68	0	1.83	0	1.95
Distributor	1.55	0	1.70	0	1.82
Utility Attendant	1.63	0	1.78	0	1.90
Staff Waitress	1.51	0	1.66	0	1.78
Warewasher	1.45	0	1.60	0	1.72

Classification	Present rate on Feb. 28/70	Meals and/or Lodging	March 01, 1970	July 01, 1970	March 01, 1971
CLASSIFICATION GROUP "C"					
Lifeguard Swimming Instructor	1.78	0	1.93	0	2.05
Masseur	1.93	0	2.08	0	2.20
Relief Man	1.59	0	1.74	0	1.86
Cleaner	1.50	0	1.65	0	1.77
SECTION VI					
FOOD & BEVERAGE SERVICE DEPARTMENT					
CLASSIFICATION GROUP "A"					
Captain Waiter	2.02	0	2.17	0	2.29
Waiter	1.47	0	1.62	0	1.74
CLASSIFICATION GROUP "B"					
Senior Bartender	2.09	0*	2.24	0	2.36
Bartender	2.01	0*	2.16	0	2.28
CLASSIFICATION GROUP "C"					
Busboy – Busgirl	1.43	0	1.58	0	1.70
Pantryman	1.59	0	1.74	0	1.86
Bar Porter	1.54	0	1.69	0	1.81
CLASSIFICATION GROUP "D"					
Hostess	1.86	0	2.01	0	2.13
Waitress (Lounge)	1.45	0	1.60	0	1.72
Waitress (L'Auberge)	1.47	0	1.62	0	1.74
SECTION VII					
LAUNDRY DEPARTMENT					
CLASSIFICATION GROUP "A"					
Asst. Laundry Supervisor	2.00	0	2.15	0	2.27
Washman	1.92	0	2.07	0	2.19
Utility-Man	1.82	0	1.97	0	2.09
Washman's Helper	1.66	0	1.81	0	1.93
CLASSIFICATION GROUP "B"					
Laundry Checker	1.76	0	1.91	0	2.03
Laundry Helper	1.47	0	1.62	0	1.74
Ironer	1.60	0	1.75	0	1.87
SECTION VIII					
MAINTENANCE DEPARTMENT					
CLASSIFICATION GROUP "A"					
General Mechanic	3.00	0	3.15	0	3.27
Machinist-Mechanic	3.00	0	3.15	0	3.27
Electrician	3.00	0	3.15	0	3.27
Steamfitter	3.00	0	3.15	0	3.27
Carpenter	3.00	0	3.15	0	3.27
Air Conditioning Engineer	3.00	0	3.15	0	3.27
Head Painter	2.61	0	2.76	2.84	2.96
Painter	2.49	0	2.64	2.70	2.82
French Polisher	2.55	0	2.70	0	2.82
Maintenance Man	2.69	0	2.84	0	2.96
Tile Setter	3.00	0	3.15	0	3.27
CLASSIFICATION GROUP "B"					
Upholsterer	2.90	0	3.05	0	3.17
Asst. Upholsterer	2.21	0	2.36	0	2.48
Upholsterer's Helper	1.82	0	1.97	0	2.09

Classification	Present rate on Feb. 28/70	Meals and/or Lodging	March 01, 1970	July 01, 1970	March 01, 1971
CLASSIFICATION GROUP "C"					
Storekeeper	2.05	0*	2.20	0	2.32
Helper	1.91	0	2.06	0	2.18
Labourer	1.68	0	1.87	0	1.95

*"Service Bartenders" adjusted by 5¢ July 01, 1970.

NOTE: The value of meals and lodging referred to in Schedule "A" shall be assessed on the following basis:

Each Meal	–	4 cents per hour
Meals and Lodging	–	16 cents per hour

Report of Board of Conciliation and Investigation established to deal with a dispute between

Hull City Transport Limited and

Hull Metropolitan Transport Company Limited

and

Amalgamated Transit Union

The Board was under the chairmanship of Judge Gaston Lacroix of Montreal, appointed by the Minister of Labour in the absence of a joint recommendation from the other members, Fernand Mousseau of Hull, and Rhéal Bastien of Ottawa, who were previously appointed on the nomination of the companies and union, respectively. The report was received by the Minister in December.

The Board held five meetings, four of which were in Hull, on November 12, 19, 26 and 27, 1970.

Management was represented by Counsel Maurice Chevalier, and the Union by Jean-Paul Arvisais, President, and by Sydney Hare, from the Executive of the International Union.

From the very beginning, the union party formally stated that as long as management would offer no more than a 6 per cent increase, it would demand a 45 per cent increase.

The discussions began with several observations and statements by both parties. Counsel Chevalier stated that his clients acknowledged the merits of their employees' claim, and the fact that they were entitled to wages equivalent to those paid in Ottawa, but insisted that his clients were financially unable to meet this request.

As the parties had mutually stated that in the main they were going to discuss the monetary part of the agreement, all discussions centered on the solution of this problem.

As the union had formally stated that strike action was not a solution to the problems members were facing, the negotiations went on all day.

At the end of the first meeting, Lt. Colonel Mousseau, management representative, suggested a meeting with a view to trying to reach a temporary agreement concerning a wage increase, said agreement to be binding until a transport commission should be formed, but not to last beyond one year.

The meetings were thus adjourned in order to enable the union to discuss this proposal.

At the meeting of November 19, 1970, the union rejected the proposal put forward by the Board at the November 12 meeting. Management, always represented by Counsel Chevalier, returned with a new proposal. This time it was the offer of a lump sum to be paid to union members according to seniority. As Counsel Chevalier could not state precisely the total amount to be offered, and as the union bitterly complained of having been unable to meet any management representative, the Board adjourned its proceedings again to enable Counsel Chevalier to complete his offer, submit it to the union and to try to arrange a meeting between the president of the transportation companies and the union officials.

The proceedings continued during the evening of November 26, 1970, and as meetings had taken place between the parties, and, management's offer imparted to the union had been rejected, the Board felt it should recommend that the parties proceed with the evidence

Several documents were produced by the union. The parties had the opportunity to question all witnesses. The Board adjourned the meeting once more to enable the union to produce additional documentation and management to produce a statement of its operations.

A final meeting was held on November 27, 1970 to enable the parties to file certain exhibits. It went on until 3.30 p.m. Management had undertaken to produce a statement of its financial operations. But it filed a certificate by an auditor of the companies' operations, showing the profits made by the said companies.

It must be noted that although Lt. Colonel Mousseau had been informed of this meeting, he was unable to attend.

Wage Increases

The dispute the Board had to deal with is an old one; it goes back to at least 1965. Since 1963, bargaining by the parties concerning the renewal of their agreement has been difficult and has led to several strikes. The increases gained were never satisfactory to the union. Since 1965, more particularly, several factors affecting both parties have arisen.

Fare increases were obtained by management, but each increase resulted in a reduction in the number of passengers. The population growth has also brought about an increase in the number of motor

vehicles in the City of Hull and area. These phenomena have also resulted in a slow-down of bus service, bringing about another reduction in passengers. The establishment, under the Federal Minimum Wage legislation, of the 40-hour week also reduced the number of bus passengers and brought about a loss of an average of $15.80 a week for bus drivers.

If one adds to these factors the transportation of school children, which has been free for the past several years, there is no doubt that the financial situation of the transportation companies may have been affected. These facts are acknowledged by the parties. If one considers, also, the double fare imposed on passengers travelling from Hull to Ottawa and the decentralization of Government buildings, it again appears that the Company's business could have been seriously affected.

Three Conciliation Boards have been formed since 1963; all recommended wage increases and suggested certain solutions such as municipalization, subsidies and the creation of a transport commission for the Outaouais area. But no action was ever taken concerning these recommendations, so that today it seems that employees with 25 to 30 years' service are still receiving wages close to the poverty level.

The situation in which union members find themselves is such that the president of the two transportation companies, which are parties to the agreement, was led to state that the acceptance by his employees of low wages for almost six years resulted in his companies having become subsidized by his own employees. It nonetheless remains true that while the companies make profits, the union members do not share in them, get no compensation, no dividends or bonuses.

The Board could only find such a situation unfair and intolerable for the union members. If it is true that the transportation companies were able to carry on their operations and make certain profits only as a result of sacrifices made by union members, then such a situation must stop. It should no longer be up to the union to subsidize the financial operations of the companies, but to the latter and others concerned in maintaining a public transportation service for the Outaouais area to find means to remedy the situation.

The union satisfied the Board that its members were entitled to a substantial wage increase. The companies acknowledge this but insist that it is financially impossible for them to support an increase exceeding six per cent.

The Board recommends (1) a wage increase of 15 per cent for each class of employees in each company, retroactive to May 1, 1970, and (2) from the date of the signing of the agreement to be reached by the parties, a further increase of 10 per cent applicable to each class of employees.

These recommendations, however, will be subject to renegotiation should a transportation commission be created. But were such a commission not created, monetary clauses must be renegotiated one year after the signing of any agreement between the parties.

The Board was also called upon to look into Clause 6.02 (a) and 03 (a) at issue between the parties. It decided to recommend that they comply with the provisions of the Health Insurance Act, now in force in the Province of Québec, when the new agreement is signed.

This recommendation is based on the acknowledgment by management of the merits of the union's wage demand, and also its admission that part of the operations was financed by keeping wages definitely under the prevailing schedule in the area.

The Board did not deem it advisable to make other recommendations because at the very beginning of its proceedings it was informed that Québec had appointed a committee to examine the entire matter of regional transportation in Western Québec, and that it will be up to this committee to consider means to improve the present situation in the area.

Montreal, December 3, 1970.

(Sgd) Gaston Lacroix,
Chairman.

F. Mousseau,
Management
Representative.

Rhéal Bastien,
Union Representative.

Report of Board of Conciliation and Investigation established to deal with dispute between

Genaire (1961) Limited, Malton, Ontario

and

District Lodge 717 of the International Association of
Machinists and Aerospace Workers

The Board was under the chairmanship of R. G. Geddes of Toronto, appointed by the Minister Labour on the joint recommendation of the other members of the Board, Ian F. Rankin of Port Credit and W. G. Carson of Dundas, Ontario, who were previously appointed on the nomination of the company and union, respectively. The report was received by the Minister in January.

The Board met with the representatives of the parties at Rexdale, Ontario on November 18 and December 10 and 15, 1970.

Present for the Company were: —

Mr. G. Woll — Magaging Director
Mr. J. McLeish — Treasurer-Spokesman
Mr. C. Graham — Secretary

Present for the Union were: —

Mr. G. Drennon — Business Representative — Spokesman
Mr. D. Groen — Committee
Mr. W. Bradbury — Committee
Mr. C. Greenidge — Committee

During intensive negotiations conducted by the Conciliation Board the parties reached a settlement. The terms of the settlement were ratified and an agreement was signed incorporating the terms agreed upon. A copy of the parties first Collective Agreement is attached to and becomes a part of this Report. (Not reproduced here.)

(Sgd) R.G. Geddes,
Chairman.

Toronto, Ontario
January 7, 1971

CANADA LABOUR RELATIONS BOARD

Reasons for Judgment in Application for Certification

Affecting Association of Canadian Television and Radio Artists (Applicant)

and

Radio Station CFRA Limited (Respondent)

and

Lowell Green, et al (Interveners)

The Board consisted of A.H. Brown, Chairman, and E.R. Complin, J.A. D'Aoust, A.J. Hills, Gérard Picard and R.C. Smith, Members. The judgment of the Board was delivered by the Chairman.

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1. The Respondent is a corporation which owns and operates a radio broadcasting station at Ottawa, Ont., under A.M. and F.M. licenses granted by the Canadian Radio Television Commission. The Applicant, a trade union, has made application under date of September 23, 1970 to this Board to be certified as bargaining agent for a unit of employees of the Respondent employed in the operation of this radio broadcasting undertaking. This unit is described in the application as consisting of all news announcers, A.M. and F.M. announcers, and continuity writers employed by the Respondent excluding the public relations director/ announcer and the news and sports director. The Interveners consist of 15 employees in the proposed unit who have intervened to oppose the application for certification.
2. According to the report of the Board's Investigating Officer based upon his check of the payroll records of the Respondent and the membership records of the Applicant, there were 24 employees in the proposed bargaining unit at the date of the application, of whom 18 were members in good standing of the Applicant. Thirteen of the employees thus found to be members in good standing of the Applicant at the time of the making of the application joined in and are included in the subsequent intervention filed by the Interveners under date of October 9, 1970 to oppose the application.

   The reasons advanced for intervening to oppose the application are set forth in the Interveners' subsequent reply dated October 15, 1970, as follows:—

   "1. We did not appreciate what was involved in collective bargaining through the medium of a bargainning agent.

   "2. There has always been a very close relationship between the Management and Employees of Radio Station CFRA Ltd. both at work, socially and in recreation and we fear that such relationship will suffer and disappear should we be represented by a union bargaining agent in our negotiations with Management.

   "3. We further feel, upon reflection, that our interests would be better protected should negotiations with Management be carried on directly by ourselves."

   The Respondent, in its reply, raised issues concerning the appropriateness of the bargaining unit for which the Applicant seeks certification and asked that a vote by secret ballot of the employees in the unit found to be appropriate by the Board be taken under the direction of the Board to determine the wishes of these employees as to the selection of the Applicant as their bargaining agent.
3. In the initial stage of the hearing held by the Board on the application, the issues between the Applicant and the Respondent as to the classifications of employees which constitute an appropriate bargaining unit were resolved as between these two parties except as regards the position of the chief news editor one D. Leger, and the status of one announcer named Grattan. The Respondent contended that the position of chief news editor filled by Leger should be excluded from the bargaining unit on the ground that the incumbent exercised management functions and was employed in a confidential capacity with respect to labour relations. The Respondent held to this position throughout the course of the proceedings before the Board. The Applicant, which had signed up Leger as a member in good standing of the union at the time of its organizational drive for members in the Respondent's establishment, denied that Leger exercised management functions or performed confidential duties and opposed the exclusion of the position of chief news editor from the unit. However, at the close of the evidence given on behalf of the Respondent at the hearing as to the nature and scope of the duties and authority exercised by the incumbent of the post, counsel for the Applicant conceded on the basis of this evidence that the position should be excluded from the bargaining unit. As regards the Status of Grattan, who is employed by the Respondent as an announcer, the Applicant maintained that this employee was not an appropriate inclusion in the bargaining unit for the reson that apart from the duties of his employment as announcer, Grattan's services were provided to and utilized by the Respondent as a public relations adviser to its top management under a contract between the Respondent and a public relations firm, General Grant Enterprises Limited, by whom Grattan was employed also and that the nature of the services rendered by Grattan to the Respondent in this capacity in the formulation of the management policies of the Respondent in the field of public relations are such as to make him inappropriate for inclusion in the bargaining unit.

   In the result, having regard for the positions taken by the Applicant and the Respondent and the evidence at the hearing, the Board finds the unit appropriate for collective bargaining to be a unit of employees of the Respondent employed in the operation of its radio broadcasting undertaking consisting of all employees in the production department, other than the program director and the employee Ken Grattan while he continues to provide services in a dual capacity as announcer and public relations adviser, and all employees in the news department other than the news and sports director, the chief news editor, and the part-time student announcer, and all employees in the continuity section other than the supervisor thereof and all employees in CFMO—FM department other than the station manager and the program director, *excluding* the program director and persons above this rank, the news and sports director, chief news editor, part-time student announcer, supervisor of continuity section, the station manager and program director — CFMO—FM department, and excluding also employees in classifications under the following categories; sales, engineering, operators, traffic, coffee shop, mail clerk, switchboard, librarian, promotion, accounting, and secretarial.

4. After the conclusion of the evidence advanced at the hearing on the issues raised as to the appropriate bargaining unit, the Board heard the evidence advanced by the parties as regards the circumstances surrounding the origination and signing of the intervention filed by the Interveners and the reasons ascribed by the Interveners as influencing this decision. Eleven of the 13 interveners who had shown initial support of the application for certification by signing up as members in good standing of the Applicant gave evidence under oath enlarging on the personal reasons which influenced their subsequent change of mind. This evidence *in toto* reflected continuing uncertainties in the minds of some of these employees but also included denials by each such witness that the change of mind by the witness was occasioned by pressures exerted upon the witness by the management of the Respondent.

Counsel for the Applicant submits that in the light of the evidence the Board should attach no weight to the interventions as evidencing any change of mind of any of the employees who originally applied for membership in the Applicant union as to the selection of the Applicant as their bargaining agent. He submits that in view of the fact that the Interveners who had taken out membership in the Applicant union are still continuing members thereof and that the intervention itself was stimulated and actively supported by admitted members of management, the petition may be properly ignored in determining the majority status of the Applicant and that certification should issue without the necessity of a vote.

Counsel for the Interveners submits that the evidence given by the Interveners at the hearing as to the circumstances leading up to and influencing their decision to intervene to oppose the application do not provide support for the contention of the Applicant that such such decisions was the result of management pressures exerted upon them this end. He submits that the views of the Interveners as expressed in the reply filed by them, and in their evidence at the hearing are a free expression of their wishes and also establish that none of these employees still considers himself a member of the Applicant. He urges that a vote be taken by secret ballot in any event to finally determine the wishes of the employees in the unit.

Counsel for the Respondent submits that the evidence at the hearing does not support the allegations of management interference with the organizational activities of the Applicant or of unlawful pressures having been exerted by management of the Respondent upon the employees in the bargaining unit leading to the filing of the intervention. He submits that in the light of the evidence at the hearing a vote should be taken by secret ballot of the employees in the unit to finally determine their wishes as to the selection of the Applicant as bargaining agent for them.

The Board is of opinion that the evidence given by the Interveners at the hearing affirming their opposition to the application for certification and giving their individual reasons therefor cannot be dismissed out of hand as carrying no weight in the determination of the wishes of the employees as to their choice of the Applicant as bargaining agent. While in the opinion of the Board there is no doubt that all the employees in the proposed bargaining unit had knowledge of the attitude of the management of the Respondent as being in opposition to the application for certification and some may have been influenced thereby, it does not consider that the evidence warrants the conclusion urged upon the Board by counsel for the Applicant that, by reason of such knowledge, a vote by secret ballot would not serve to elicit the true wishes of the employees in the bargaining unit. The employees in this bargaining unit, the majority of whom gave evidence at the hearing, appear to be quite capable of expressing their own wishes as to the selection of the Applicant as their bargaining agent by vote taken by secret ballot.

In the result the Board considers that a vote by secret ballot is necessary in the circumstances of this case to finally determine the wishes of the employees in the unit which the Board has found to be appropriate as to the selection of the Applicant as their bargaining agent and orders that such vote be taken under the direction of the Chief Executive Officer of the Board.

(Sgd) A.H. Brown,
Chairman.

Ottawa, December 7, 1970.

Reasons for Judgment in Application for Certification Affecting

Seafarers' International Union of Canada (Applicant)

and

Desgagnés Transport Inc. (Respondent)

The Board consisted of A.H. Brown, Chairman, and E.R. Complin, J.A. D'Aoust, Jacques Guilbault, A.J. Hills, Gérard Picard and R.C. Smith, Members. The decision of the Board was delivered by the Chairman.

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1. The Applicant (a trade union) by application dated August 14, 1969, applied to be certified as bargaining agent for a unit of employees of the Respondent comprised of all unlicensed personnel employed aboard the ships of the Respondent excluding captains, mates and chief engineers. Described in terms of the classifications of employees on the payroll list of the Respondent at the date of the application, this bargaining unit consists of employees in the classifications of sailor, cook, and 2nd engineer. The 2nd engineer is not a licensed position.
2. The Respondent is a shipping company with head office at St. Joseph de la Rive in the Province of Québec, a point on the north shore of the St. Lawrence River below Québec City. The Respondent is engaged in the general transportation of goods by ship in ships which it operates with its own crews. It has an office and a freight shed under yearly rental from the Canada Department of Transport at Montreal, Qué., but has no offices or agencies outside the Province of Québec.

At the date of the application for certification, the Respondent owned and operated in its shipping undertaking three ships namely the "Mont Ste-Marie", the "Mont St-Martin", and the "Fort Severn". It operated, also, a fourth ship the "Guard Mavoline" under bare-boat charter. At the date of the application there were 18 employees of the Respondent in the

proposed bargaining unit employed aboard these ships, of whom 10 were members in good standing of the Applicant.

3. The Respondent has contested the application for certification on the ground *inter alia* that its undertaking upon which the employees in the proposed bargaining unit are employed is an intra provincial shipping undertaking carried on within the Province of Québec and is within the exclusive jurisdictional competence of the Province of Québec and is not an undertaking to which the provisions of the Industrial Relations and Disputes Investigation Act (hereinafter referred to as the IRDI Act) apply.
4. Proceedings in the disposition of this application were held for a period of time pending the disposition of proceedings before the Courts arising out of a decision of this Board on an application of the Canadian Marine Officers Union for certification as bargaining agent for employees of another shipping company, Agence Maritime Inc., in which similar issues of jurisdiction had been raised by that company. However a hearing on the present application for certification was held by the Board on August 10, 1970. At this hearing two witnesses were heard. One, Mr. W.S.G. Morrison, an officer of the Canada Department of Transport, was called upon to produce the logbooks in the possession of his department for the years 1968, 1969 and 1970 with respect to the ships operated by the Respondent in those years. The ships' logbooks for the years 1968 and 1969 were produced and filed with the Board as exhibits together with the crew logs in respect of the same ships. Logbooks for the year 1970 covering these ships were unavailable not having been received by the Department of Transport from the Respondent. However, evidence on voyages of one ship, "Guard Mavoline," in the 1970 navigation season to the time of the hearing, by way of logbook extracts and a résumé of such voyages and of the voyages of the other ships of the Respondent, was given by the other witness, Mr. Maurice Desgagnés, President of the Respondent to the extent of his available information and recollection at the time of the hearing.
5. In the 1969 navigation season the ship "Mont Ste-Marie," owned and operated by the Respondent in its shipping business, was engaged solely in home-trade voyages between ports within the Province of Québec, chiefly between the ports of Montreal and Baie Comeau, P.Q. This ship was laid up for disposal at the end of the 1969 navigation season and has not been in operation since that lay-up.
6. No logs were available in respect of the ship "Mont St-Martin" as this ship has been engaged in inland voyages for which, under the Canada Shipping Act, logs are not required to be lodged with the Department of Transport. However, according to the evidence the voyages of this ship in the 1969 navigation season were exclusively within the Province of Québec principally between the ports of Montreal and Sept-Iles, carrying cargoes of general merchandise. In the 1970 navigation season the voyages of this ship, crewed by the Respondent, have been undertaken on a *per diem* charter basis under charter to Clark Traffic Services Ltd., another shipping company. The evidence of the witness Desgagnés is that the voyages of this ship under these charter arrangements in the 1970 navigation season up to the time of the hearing have been within the confines of the Province of Québec and in the main between the ports of Montreal and Sept-Iles.
7. The ship "Fort Severn" has been owned, operated and crewed by the Respondent since April 23, 1969. From the beginning of the 1969 navigation season until October 21, 1969, the ship was engaged in the carriage of freight in interprovincial shipping operations. An examination of the ship's logs for 1969 produced in evidence and the evidence of Desgagnés establishes that, sailing initially from Sydney, N.S., on April 25, 1969, the ship made a voyage to St. Joseph de la Rive, Qué., thence to Pugwash, N.S., and thence voyages to various ports in Newfoundland with cargoes of salt. These voyages between Pugwash, Nova Scotia and Newfoundland ports with occasional voyages to Québec ports were continued until August, 1969, at which time the ship left St. Joseph de la Rive on a voyage to Port Weller, Ont., arriving on August 23, 1969, and leaving on August 26, 1969, on a voyage to the port of Baie Comeau, P.Q. It then proceeded to the port of Pugwash, N.S., and later made voyages from this port to ports in Newfoundland up to October 21, 1969. From October 21, 1969, to December 11, 1969, the ship was engaged on voyages exclusively within the confines of the Province of Québec. The ship's 1969 voyages were home-trade voyages made under home-trade articles of agreement. No signed ship's logs were produced in evidence, not being available at the time of the hearing, with respect to this ship's voyages in the 1970 navigation season. The evidence of the witness Desgagnés as regards this ship's operation in 1970 up to the time of the hearing is that the ship has been making one trip a week between the ports of Montreal and Baie Comeau carrying cargoes under charter for the Quebec North Shore Paper Co. Ltd. and for the British Aluminium Company Ltd. Desgagnés' evidence is that these charter arrangements are on a yearly basis under which payments are made to the Respondent on a per ton rate for cargo carried.
8. The Respondent has operated the ship "Guard Mavoline" under bare-boat charter since the opening of the 1968 navigation season. An examination of the ship's logs produced in evidence for the 1968 and 1969 navigation seasons and the evidence of the witness Desgagnés establishes that the ship's voyages in this period were home-trade voyages between ports within the confines of the Province of Québec. No logs for this ship were produced or were available for the 1970 navigation season at the time of the hearing. However the evidence of the witness Desgagnés refreshed by some notes with respect to these voyages produced by him is that the ship crewed by the Respondent after sailing from St. Joseph de la Rive in May, 1970, arrived by direct voyage at the port of Pugwash, N.S., on May 26, 1970, and from this latter port made voyages to various ports around the coast of Newfoundland and on the Labrador Coast between May 26 and June 22, 1970, delivering salt for the Newfoundland fishing industry under charter arrangements with the Domtar Chemical Company and/or the Chimo Shipping Co. Inc. On June 22, 1970, the ship loaded a cargo of pulpwood at either Rivière du Loup, P.Q., or Port Weller, Ont. (the evidence is not clear as to which of these two places) for delivery at the port of Buffalo, U.S.A. After discharge of this cargo at Buffalo the ship sailed to Baie Comeau, P.Q., and thereafter proceeded to Goose Bay, Labrador under charter arrangements with the Chimo Shipping Co. Inc. Apart from possible charter arrangements with Chimo Shipping Co. the witness Desgagnés was unable to forecast the future movements of this ship for the balance of the 1970 navigation season.

The witness Desgagnés identified also in his evidence on cross examination an advertisement appearing in the 1969 Year Book of the St. Lawrence Shipowner's Association Inc. placed therein by the Respondent reading as follows:

> "Transports Desgagné Inc., St. Joseph de la Rive Charlevoix, P.Q.
> "Transport de Marchandises ou Affrêtement,
> Grands Lacs, Côte Nord et Côte de Gaspé — Mont St-Martin, Mont Ste-Marie, Fort Severn".

In his comment on this advertisement the witness said "that advertisement does not mean that we do the transporting".

In reply to a question put to him during the course of his testimony as to what approximate percentage of the total business of the Respondent would be extra provincial or outside the Province of Québec, the witness gave his estimate of this as being from one third to one quarter in terms of the total number of voyages. This estimate was not substantiated by production of the Respondent's

records but does indicate that a substantial part of the Respondent's shipping operations have been of this nature. In any event as this Board pointed out in its Reasons for Judgment delivered by the Vice-Chairman of the Board, J.J. Quinlan, Q.C., under date of July 31, 1969, in the case of Canadian Marine Officers Union and Agence Maritime Inc., which was an application for certification for a unit of employees of Agence Maritime Inc., a Québec-based shipping company in which a similar issue as to the application of the IRDI Act was raised and I quote "the percentage of extra and inter provincial business is not decisive in determining the issue of jurisdiction raised but rather the Respondent's operations as a whole must be considered in determining whether the Respondent's undertaking on which the employees in question are employed is one to which the provisions of the IRDI Act apply. (Re Tank Truck Transport Ltd. (1960) 25 DLR (2nd) 161; Regina v. Cooksville Magistrate's Court Ex Parte Liquid Cargo Lines Ltd. (1965) 46 DLR (2nd) 700)". The reasoning of the Board in that case is pertinent to the consideration of the issue in the present case.

The decision of the Board on the jurisdictional issue raised in the Agence Maritime case to the effect that the Agence Maritime undertaking was one to which the IRDI Act applies, was challenged before the Superior Court of the District of Quebec by the Agence Maritime Inc. By judgment dated May 15, 1970, Mr. Justice Laroche dismissed the application of the Agence Maritime Inc.

A summary of this judgment of Mr. Justice Laroche and his findings appears in 70 C.L.L.R. para. 14059, under the head "Agence Maritime Inc. v. Canada Labour Relations Board et al". An appeal from this judgment has been inscribed which had not been disposed of as of this date.

In the opinion of the Board, the evidence as to the nature and scope of the Respondent's shipping operations establishes clearly that the Respondent is tendering and operating an inter-provincial and extra-provincial shipping service for the transport of cargo on a continuous basis and in regular manner and that the employees of the Respondent in the proposed bargaining unit are employed in this undertaking. Upon consideration of all the facts adduced in evidence and the able arguments submitted by Counsel for the parties and the jurisprudence cited therein, the Board finds (1) that the employees of the Respondent in the proposed bargaining unit are employed upon and in connection with an undertaking to which Part 1 of the IRDI Act applies; and (2) that the Applicant is a trade union within the meaning of the said Act and; (3) that a unit of employees of the Respondent comprised of all unlicensed personnel employed on board the ships of the Respondent excluding captains, mates and chief engineers and other licensed personnel is appropriate for collective bargaining and; (4) that a majority of the employees in the said unit are members in good standing of the Applicant.

An order will issue certifying the Applicant as bargaining agent for the employees of the Respondent in the said unit.

(Sgd) A.H. Brown,
Chairman
for the Board.

Ottawa, December 7, 1970.

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CONCILIATION BOARD REPORTS

No. 2, 1971

Conciliation Board Reports in disputes between:

Canadian Broadcasting Corporation and Canadian Wire Service Guild, Local 213

Canadian Broadcasting Corporation and Association of Radio and Television Employees of Canada

Canadian Broadcasting Corporation and Canadian Union of Public Employees

Hudson Bay Mining and Smelting Co. Limited and the Association of Flin Flon Trade Unions

Canadian Pacific Railway Company (S.S. "Princess of Acadia", Bay of Fundy Service) and Seafarers' International Union of Canada

CANADA DEPARTMENT OF LABOUR

Hon. Bryce Mackasey, Minister

J.D. Love, Deputy Minister

Report of Board of Conciliation and Investigation established to deal with dispute between

Canadian Broadcasting Corporation

and

Canadian Wire Service Guild, Local 213

The Board was under the chairmanship of Thomas C. O'Connor of Toronto, appointed by the Minister of Labour in the absence of a joint recommendation from the other members of the Board, Raymond Caron, Q.C., of Montreal and Murray Cotterill of Toronto, who were previously appointed on the nomination of the Corporation and union, respectively. The report was received by the Minister in March.

I regret to report that this Board of Conciliation was unable to assist the parties in the negotiation of the renewal of the Collective Agreement.

At the present time the Corporation is negotiating with three other unions with the assistance of two mediators, appointed by the Minister of Labour. The members of this Board believe when negotiations have been completed between the Corporation and these Major Units that a settlement can be achieved by the parties in this dispute with the assistance of the Mediators. Consequently, the members of this Board believe that recommendations on the issues in dispute between the Corporation and the News Guild would not be of assistance to the parties or the Mediators.

The Members of this Board express appreciation to the Bargaining Committees of the CBC and the News Guild for their courtesy and for their assistance to this Board. We particularly express our appreciation to the chairmen of the groups, John Kerr and Robert Rupert.

Dated this 5th day of March, 1971.

(Sgd) Raymond Caron,

Murray Cotterill

Thomas C. O'Connor,
Chairman

Report (Translation) of Board of Conciliation and Investigation established to deal with dispute between:

Canadian Broadcasting Corporation

and

Association of Radio and Television Employees of Canada

The Board was under the chairmanship of Professor Louis-Marie Tremblay of the University of Montreal, appointed by the Minister of Labour in the absence of a joint recommendation from the other members of the Board, Raymond Caron, Q.C., and Marc Lapointe, Q.C., both of Montreal, who were previously appointed on the nomination of the Corporation and union, respectively. The report was received by the Minister in February.

From September 17, 1970 to December 9, 1970, inclusive, the Board held twenty (20) conciliation hearings for ten (10) work days. Following discussion, the members of the Board submit their report.

This report is divided into three parts:

Part 1: List of clauses on which the parties have formally agreed before the Board;

Part 2: Clauses on which we feel that the parties are in agreement although no formal agreement was recorded;

Part 3: Recommendations on the items still at issue.

PART 1

The Board notes that the following agreements were reached before it during the hearing period:

Under date of October 16, 1970

48.1;	50.1;	51.2;	61.1;	68.1;
69.1;	69.2;	70.1;	96;	5.5;
5.6;	46.6;	97A:	10.2.3;	87;
50.2;	66.5;	47.1;	55.8.1;	67.1;
49;	60.2;	55.4;	55.5;	55.6;
55.6.1;	55.6.2;	64.3.2.		

Under date of November 19, 1970

52.3;	55.1.2;	64.3.1;	66.6;	67.1;
67.2;	67.3;	62;	63	

Under date of December 7, 1970

23;	24.1;	24.2;	24.2.1;	24.2.3;
24.2.4;	24.3.3;	24.6.5;	25;	28.1
35.3;	35.4;	35.8;	41.1.2;	41.1.4;
42.2;	42.3;	43.3;	45	

PART II

Articles 46.3 and 46.3.1: Coincidence of weekly day off and a holiday

This concerns the payment of the day off when it falls on a holiday.

In its package counter-proposal of December 9, 1970 (S-12), the Union stated that it was prepared to accept the management proposal of December 7, 1970 (C-12) as far as Article 46.3 was concerned and to retain the text of the former collective agreement as far as Article 46.3.1 was concerned.

Consequently, we consider the parties as being in agreement on these two items and we recommend that they consider these items as being settled.

Article 13.2.2: Self-Assigning Employees

The Board finds that the Union has withdrawn its request concerning self-assigning employees stating it was prepared to retain the provision of the former collective agreement, in its counter-proposal of December 9, 1970 (S-12). This is what management was suggesting.

Consequently, we consider the parties as being in agreement and we recommend that they consider this item as being settled.

Article 60: Separation Pay

The Union, in its counter-proposal of December 9, 1970 (S-12) acknowledges the management proposal of December 7, 1970 (C-12).

Consequently, we recommend that the parties consider this item as being settled.

Article 77.1: Grievance Procedure

The Board notes that the parties are in agreement as to the editorial change suggested by the Corporation concerning the first step in the procedure, at the local level, as acknowledged by the Union in document S-12 of December 9, 1970 wherein it refers to document C-12 of December 7, 1970.

Article 68: Pyramidal Pension Plan

Article 34.2: Overlapping of work on daily rest

Appendix M: Salesmen, Benefit Plan

Item 4, Wage Claim: Levelling of Wages for Life Insurance Purposes

The Board notes that the Union has withdrawn its requests concerning these four items in its package counter-proposal, with a view to a settlement, on December 9, 1970 (S-12).

Consequently we recommend that the parties consider these items as being settled.

PART III

Articles 6.2.1 and 6.2.2: Union Jurisdiction

The Board notes that both parties agreed to retain the status quo concerning Article 6.2.1. Concerning 6.2.2 which was discussed at length before us, we do realize its extensive complexity and we are conscious of the fundamental differences dividing both parties. For these reasons, we are not in a position to make a recommendation liable to reconcile the parties although they have made some progress in this direction during the hearing period.

Consequently, we recommend that this problem be resolved through the bargaining process.

The management nominee recommends that the existing provisions be retained.

Articles 7 and 29: Duration of the work week

Articles 8 and 37: Evening and Night Shift Premium

Articles 15.2.2, 15.4a, 15.4, 15.7, 35.3, 35.7: Payment of Overtime

On December 9, 1970, the Union withdrew its request concerning Article 7 and made a new proposition concerning the duration of the work week for announcers.

Considering the nature of the operations of the Corporation, the present situation as to these working conditions, that it is not advisable, in our opinion in the light of the discussions we had with the parties, to change these working conditions.

We recommend that the existing provisions of the collective agreement be retained.

The management nominee recommends that the Corporation's request in Articles 8 and 37, concerning the amount of the night shift premium, be granted.

The Union nominee recommends that the Union's request in Article 29, namely the $37^1/_2$ hour week and the $7^1/_2$ hour day for announcers be granted.

The Union nominee recommends the maintenance of the existing provisions concerning the payment of overtime while amending them in such a way that double time be paid for work done on New Year's Day and on Christmas Day, evidence having shown that this amendment would not be costly and that it would be a small compensation for those whose duty it is to work on these two very special days for the rest of the world.

Article 42.1: Conditions peculiar to announcers

At first sight, the Union proposal (S-10) may seem pleonastic, but it is possible that it be needed to prevent any ambiguity in the text. This is the reason why the Board sees no objection to adding the following words "and shall benefit from all the provisions of Article 13" to the Corporation's proposal.

Articles 43.1 and 43.2: Announcers: Access to Group III

According to the existing collective agreement, the announcers working in localities where there are no radio stations do not have access to Group III in their classification, whereas their fellow workers in localities where both radio and television stations exist have access to this group.

This policy was warranted when television was first developed. With time, the reason for this state of affairs has disappeared, giving rise to a number of anomalies which the Union evidence has brought out. In order to eliminate any ensuing injustice, it seems advisable that the announcers be all on an equal footing with respect to access to Group III, wherever they may be working.

This is why we recommend that the Union request be granted.

The management nominee recommends the adoption of the management text submitted on November 19, 1970 (C-9)

Article 46.4: Paid holidays

We recommend that the Union request be granted because it aims at reproducing in the collective agreement the provisions of the Federal Act.

With a view to standardizing collective agreements, we recommend that the parties adopt the text that we have suggested for the collective agreement between CBC and CUPE, which is reproduced hereafter.

English Text:

34.10 – "An employee will not be entitled to holiday pay and reduction in the work week for pay purposes:

(a) if he does not adhere to his assignment on the holiday (unless excused), or

(b) if on both the working day prior to, and the working day following the holiday, he is absent without pay (unless on authorized absence), or

(c) if he is not otherwise entitled to pay for the week in which the holiday occurs, unless he is on leave without pay for Union activities.

The management nominee is dissident with regard to the words "unless on authorized absence".

Article 48: Annual Leave: Duration

The Corporation's policy of granting three weeks annual leave from the very first year of employment seems generous. However, the length of the period required for the granting of an additional week seems very long to us. Furthermore, we would favour, in principle, a somewhat longer period of leave after 25 years of service.

The length of annual leave has important monetary implications. This is the reason why we make no explicit recommendation for we are of the opinion that the parties should determine themselves the priorities with regard to the allotment of the monetary benefits negotiated.

The Union nominee recommends that the Union request be granted up to 4 weeks after 18 years with a fifth week after 25 years of service. There are numerous examples of collective agreements at the Federal level where such provisions are to be found.

Article 48.3: Interruption of annual leave

Considering that this privilege exists in the Federal Public Service, that there is no need to distinguish, in principle, between the working period and the leave period for the exercise of this privilege, that the Corporation already grants this privilege to some of its employees on a discretionary basis.

We recommend that the Union request be granted with the addition of an adequate control machinery so as to prevent possible abuse.

Article 50: Sick Leave Bank

Considering the situation of the Canadian Broadcasting Corporation where the fringe benefits apply to all employees, we do not feel that it would be to the advantage of the employees to create a special bank for the members of ARTEC as suggested by the latter.

As the Corporation acknowledges that its policy is to grant these benefits in an almost automatic way, although the clauses of the latest agreement give it a discretionary power on the one hand, and to avoid possible abuse in exercising a discretionary power on the other hand, we recommend that an imperative character be submitted to the discretionary character.

Article 50.3: Payment of unused sick leave credits upon separation

Considering that when this benefit exists in a collective agreement, it may be compared to some form of deferred salary which is paid when the employee leaves, to prompt him to only use the benefit wittingly; considering that hitherto the discretionary policy of the Corporation may be compared to a social security measure dependent on the goodwill of the employer rather than to some form of deferred wages; our recommendation concerning Article 50: the union demand seems premature to us and we thus recommend that it be withdrawn.

Article 55.9: Bilingualism Premium

We feel that the bilingualism premium should be integrated into the job evaluation system. A joint committee formed of representatives from both parties is now working on this question. Pending the results of this work, it seems logical to us that the status quo be maintained until the parties agree on a more rational means of remuneration for the additional requirements of certain duties.

That is why we recommend that the provision of the latest collective agreement be maintained entirely.

Article 55.11(1): Group Life Insurance

The Corporation is now contributing towards the payment of premiums according to a formula of fixed amounts. With the increase in the cost of the contributions, the employee's relative share is increasing. The Union modified its initial demand that the entire premium be paid by the Corporation, on December 9, 1970, by proposing that the latter assume any subsequent increase over the existing premium rates.

The Board feels that it would be preferable that the contributions of both parties be established on a percentage basis in order that the relative contribution of each party remain constant. There will remain to establish what the contribution of each represents in percentage, at the present time, and should there be an increase in the cost of the contributions in the future, each will assume his share according to this percentage.

Article 55.11(2): Health Insurance Premiums

Considering that the Corporation stated before the Board that it was prepared to make a contribution on this item according to a formula to be determined; considering the comparative evidence of the Union both in Canadian industry and in the public sector; considering the latest collective agreements at Air Canada, the St. Lawrence Authority, Polymer, the C.N.R. and the C.P.R. and the Canadian Post Office, we recommend that the parties negotiate a clause under the terms of which the Corporation will pay each employee, wherever he works, the equivalent of the premium paid by the Ontario Government for the basic plan, plus the equivalent of the amounts paid in that province for the complementary hospital plan.

The management nominee is dissident. He recommends that the parties negotiate a clause based on Article 33 of the collective agreement reached by the Treasury Board and the Council of Postal Unions.

Article 55.11(3): Adjustment of the Pension Plan

Considering that the parties agree on the principle; that they have undertaken a joint study of the question; that there is reason to believe that they will reach an agreement if they carry on their joint study;

We recommend that the parties exchange a letter of agreement:

(a) confirming that the Corporation agrees to adjust the pension benefits according to the cost of living index so that the benefits and the retroactivity be at least equal to those which were granted in the Federal Public Service;

(b) specifying that the final form of this letter and of the agreement as well as the sharing of costs, if necessary, between the Corporation and its employees be based on the report of the actuaries, on the recommendation of the Consultative Committee on Staff Benefits and on the approval of the parties.

The union nominee also recommends that this agreement be reached within three months of the signing of the collective agreement.

Article 57: Job security

This question involves basic aspects and mechanical aspects. On December 9, 1970, the Union proposed an elaborate clause which was not discussed neither by the parties between themselves, nor

with the Board. As for the machinery proposed by the Union, several items seem to fit well into the principles that we had put forward in our recommendation in the CUPE-CBC case. Considering the lack of true discussion with the parties on this item, we feel that it would not be advisable to make a precise recommendation. Indeed, we feel that if the parties agree on the principles which must guide them in this matter, it will not be a problem to set up the machinery of the clause.

In order to help the parties at the level of the principles, we suggest the following general guidelines:

1. Considering the situation at the Canadian Broadcasting Corporation, one must realize the possibility of lay-offs due to a lack of work, or to technological change or still to methods of operation;
2. It is possible to establish policies and practices liable to prevent or reduce lay-offs to a minimum. It is in everyone's interest that the latter be examined before going ahead with any lay-offs whatever the cause;
3. We feel that this is a responsibility that both parties must assume jointly. Among other ways of doing this, they can form joint manpower committees, either ad hoc or permanent. These committees could work on any measure aimed at preventing or reducing lay-offs such as, for instance: training and re-training, mobility within the Corporation, attrition, early retirement, redistribution of hours of work and overtime, reduction in the use of temporary and auxiliary employees, reduction of contract work as well as any other measure on which the parties may agree.
4. If one really wishes that joint responsibility be assumed, the union must be notified in advance. The notice must be reasonable, in that it must, on the one hand, take into consideration the number of employees concerned and the nature of the cause of a probable lay-off and, on the other hand, be adequate so that the corrective measures can be taken, if necessary.
5. When lay-offs cannot be avoided, they should be carried out according to the procedures provided for in the collective agreement.
6. Lay-off benefits should be provided for.

The management nominee suggests that there be two articles, one covering lay-offs for more than three months due to a lack of work, and the other covering the lay-offs and demotions due to change in technology or methods of operation; that a thirty-day notice be given to the employees in each case; that a notice be given to the union according to the time limits provided for in the Quebec legislation for a notice to the Minister, the number of salaried employees affected being figured by the centre concerned, until the Federal legislation is adopted on this question, that the lay-offs for less than three (3) months be not covered by these articles.

The union nominee recommends that the union proposal of December 9, 1970 (S-12) be granted entirely with the following amendments:

Article 57.1: No employee having at least (5) years of seniority shall be dismissed, separated, laid-off, forced into early retirement, or suffer a reduction in salary . . . (continuation of the union text).

Article 57.2: At least twelve (12) months prior to the implementation of any change in technology or methods of operation or as soon as is reasonably known but no later than three months prior to any reduction of staff resulting from lack of work . . . . (continuation of the union text).

Article 64.1.3: Notice to the union of the extension of the probation period

The parties agree on the principle. In a letter dated November 4, 1969 to Mr. Derek Nelson, the Union suggested that "this notice be given either at the same time as the notice to the employee or at the earliest possible date".

This suggestion seems reasonable and practicable to us. This is why we recommend that it be acknowledged.

Article 69: Travelling Expenses

The Board notes that the Union withdrew its demand concerning the increase in the mileage compensation for the use of private vehicles.

Considering the evidence submitted before us, we recommend that the Union also withdraw its demand concerning accident insurance for trips in Canada.

Article 71.1.1 and app. B, 1.7.2: Travelling — Time credits

In its proposal of December 9, 1970 (S-12), the Union suggested that be added to the two clauses "for the trips by train, from Ottawa, the calculations will be made in the same way as for trips by plane".

We consider that we do not have enough information to be able to take a stand on this union demand. That is why we are not making any recommendation.

Article 92.A: Picket lines

The Union demands that its members be not obliged to cross a picket line when employees of the Corporation are on strike.

The Union demand deals with a fundamental value for which the unions have always fought, that of union solidarity. A strike aimed at an employer where there are several bargaining units, such as in the case of the Corporation, would inevitably bring about a refusal by a large number of employees to cross the picket line while forcing the employer to react. We are convinced that the psychological consequences and after-effects on labour-management relations and subsequent smooth operation of the Corporation would be much more serious on a long-term basis than the temporary paralysis of the Corporation due to the fact that the employees could not cross the picket lines without incurring disciplinary measures. It is for similar reasons that the Task Force recommended in paragraph 627 of its report "that workers have the choice of refusing to cross the picket line".

That is why we recommend that the union demand be granted.

The management nominee is of the opinion that the granting of this demand would be recognizing de facto the right of a group of employees to go on a sympathetic strike, which is absolutely prohibited by the Act. In consequence, he recommends that this demand be rejected.

Article X: Political Activities

The Corporation has a rule applying to all its employees the object of which is to limit their freedom regarding political activities. As a result of the last bargaining round, the Corporation had agreed to re-examine this rule. The study which was carried out did not warrant the amendment of the rule as demanded by the Union.

There follows a discriminatory situation for the employees of the Corporation, as compared with other citizens and particularly with federal civil servants, a situation which is hardly justifiable in principle.

Considering that the position taken by the Corporation seems to be absolutely unshakable, it just having carried out a revision of its rule; that a meeting between the parties does not seem to be a desirable nor an efficient way of settling the problem; that the rule of the Corporation concerns the employees as a whole:

We recommend, on the one hand, that the status quo be maintained for the term of this agreement and, on the other hand, that a joint committee including representatives of the Corporation and of the various Unions be created with a view to developing a formula whereby Corporation employees could be full citizens concerning political activity, while keeping in mind such circumstances as are peculiar to the Corporation.

The Union nominee recommends that during the month following the signing of the collective agreement, the parties set up a joint committee which shall make recommendations to the parties on this matter within three months of its creation. Should the recommendations not be satisfactory to either party or to both of them, or should they not be carried out, either party may file a grievance under the terms of the collective agreement, followed by arbitration, if necessary, with its binding decision.

The management nominee differs for the following reasons. This problem is both a philosophical and a practical one. The Corporation is not but a national organization sensitive to current political events which must, by law, provide a well balanced information service to every Canadian, which, by nature, lays it open to the criticism of citizens representing all shades of opinions, from the extreme right to the extreme left, each accusing the Corporation of being partial.

Those who work for the Corporation accept ipso facto as a condition of employment the prohibition of being nominated as a candidate in an election. In my opinion, such a prohibition is desirable in the case of employees who are in contact with the public or are heard or seen on the radio or on television. The Corporation's policy can hardly be justified where certain categories of employees are concerned, but the possibility of prejudices in such cases is little and offset by the inopportuneness of making exceptions based on the classification of the employees. I am of the opinion that the Corporation administrators' judgment in this matter, as expressed in the rule in question, is a reasonable restraining action on the freedom of those who wish to work for the Corporation. As a result, I recommend that the collective agreement remain unchanged in this respect.

Salaries and Term of the Agreement

The Union nominee and the Chairman recommend as follows:

1. A two-year agreement effective April 1, 1971 or on the date it is signed, should this occur prior to April 1, 1971;
2. An 8% retroactive salary increase to all the employees who were members of the bargaining unit on the expiry date of the collective agreement or have since become members;
3. Effective April 1, 1971, a 7% cumulative increase;
4. Effective April 1,1972, a 6.5% cumulative increase.

Our recommendation takes into consideration the actual tendency of the increase of wages, the rising cost of living and the increase in the national product. This, ipso facto, disposes of the Union demand of adjusting the salaries according to the cost of living index.

The Union emphasized that it wished to reduce the salary gaps between its members demanding, on the one hand, a minimum increase in absolute figures and, on the other hand, the removal of the first two levels in the employment classifications.

In our opinion, those two Union demands will not make it possible to reach the objective set for a rational reduction of salary disparities; they would result in distorting salary structures. We believe that such changes should be made through a revision of the job evaluation system.

The best way to achieve a reduction in wage differentials would be an increase in absolute figures. Personally, we would be in favour of it. If that were the intention of the parties, they would then be free to translate into absolute terms the overall wages obtained through the calculation of the percentage increases.

The management nominee recommends:

1. That the collective agreement apply for a term of two years, effective April 1, 1971;
2. Retroactivity: to April 1, 1970, including overtime, for employees still in the employ of the Corporation, when the agreement is signed: 5%;
3. Effective April 1, 1971: 5% cumulative increase;
4. Effective April 1, 1972: 4% cumulative increase.

(Sgd) Louis-Marie Tremblay,
Chairman

Raymond Caron,
Management nominee

Marc Lapointe,
Union nominee

Montreal, February 11, 1971.

Report (Translation) of Board of Conciliation and Investigation established to deal with dispute between:

the Canadian Broadcasting Corporation

and

the Canadian Union of Public Employees

The Board was under the chairmanship of Professor Louis-Marie Tremblay of the University of Montreal, appointed by the Minister of Labour in the absence of a joint recommendation from the other members of the Board, Raymond Caron, Q.C., and Leo Roback, both of Montreal, who were previously appointed on the nomination of the Corporation and union, respectively. The report was received by the Minister in January.

From September 14, 1970 to November 26, 1970, the Board held twenty (20) hearings and conciliation meetings representing ten (10) working days. After discussions, the members of the Board submit this report, which is divided into four parts.

Section A: Recommendations including suggestions as to the text;

Section B: Recommendations which do not include suggestions as to the text;

Section C: Recommendations as to the wage question;

Section D: Items on which no recommendations were made.

SECTION I

In this part of the report, our recommendations are made in the form of draft proposals in English and French. We are acting thus to help the parties rapidly reach an agreement on these issues during the period of post-conciliation bargaining. The texts we are submitting constitute, either a more or less tacit agreement among the parties, or a reasonable compromise as to the concerns of both parties, or a set opinion of the members of the Board on a procedure for the fair settlement of the points at issue.

ARTICLE 8 – Equal rights

Points at issue: 8.01 union draft vs 8.01 and 8.02 management draft

Recommendations:

English text:

8.01 – "Employees shall enjoy equal rights under this agreement regardless of sex, colour, racial, ethnic or national origin, or religious or political affiliation provided that such political affiliation is not contrary to the By-laws of the Corporation.

8.02 – "The Corporation will not discriminate against an employee for anything said, written or done legally in the furtherance of the aims or policies of the Union, or in exercising the rights accorded him by law and/or the provisions of this collective agreement".

Reasons:

At the end of the conciliation talks, the formulation of the principles on which the parties agreed was at issue. We feel that Article 8.01 as formulated above reflects the wishes of the parties. The text of Article 8.02 constitutes an informal agreement of the parties before the Board

ARTICLE 11 – Disciplinary measures

Points at issue: 11.06 union draft and 11.06 management draft
11.09 union draft and 11.09 management draft
11.10 union draft and 11.09 management draft
11.12 union draft and 11.11 management draft

Recommendations:

English text:

11.06 – "During a disciplinary investigation, an employee may, if he so desires, be accompanied by a Union advisor. It is understood that the non-availability of an advisor will not unduly delay the investigation".

11.09 – "With respect to the discipline of an employee involving a letter of reprimand or suspension, the Corporation agrees to undertake a review of the performance of the employee, as follows:

a) at the end of six (6) months for letter of reprimand;
b) at the end of one (1) year for suspension.

As a result of this review where it has been established that the employee has taken the necessary measures to improve his performance since the incident, the Corporation will communicate to the employee in writing in that connection with a copy provided for his status and pay file".

11.10 – "The record of an employee will not be used against him at any time in the following instances:

a) when twenty-four (24) months have elapsed since a suspension;
b) when eighteen (18) months have elapsed since the issuance of a letter of reprimand.

It is understood that all references to any disciplinary action shall be removed from his personal file after the applicable time limits as stated above.

11.12 – "Upon request, an employee may review his status and pay file once a year in the presence of his supervisor. In the event of a grievance investigation, an employee may review his status and pay file in the presence of his supervisor and his Union Advisor".

The Board also suggests that Article 11.10 of the management draft on which the parties had previously agreed be renumbered and become Article 11.11.

Reasons:

The parties informally agreed before the Board on the texts of Articles 11.06 and 11.09.

The members of the Board unanimously recommend the second sentence of Article 11.12, on the one hand, because it seems reasonable to them that a union advisor may have access to the file of a plaintiff in a grievance case in order that the union may represent him well and, on the other hand, because the CBC accepted this provision for ARTEC. In the English text, we have adopted the term "Union advisor" instead of "union representative" to ensure consistency with Article 11.06.

The members of the Board unanimously recommend the acceptance of the union request to remove from the file the reference to disciplinary action in 11.10, because it appears to them that it is a logical consequence of the principle formulated at the beginning of the article on which the parties agree, because the time-limits provided for are sufficiently long to show that an employee has amended and because this is increasingly considered a sound policy in personnel management.

ARTICLE 12 – Co-operation (union draft) and Joint Committee (management draft)

Points at issue: 12.01 union draft and 12.01, 02, 03, 04, 05, 06 management draft
12.02, 03, 04, 05, 06 union draft

Recommendations:

English text:

12.01 – "In order to discuss matters of mutual interest not covered by the provisions of the collective agreement or misunderstandings or problems arising from the application of the collective agreement, joint committees composed of at least two (2) representatives appointed by each party may be established at the local and-or national level".

12.02 – "The terms of reference of a joint committee shall be determined and defined before its institution and shall include the approximate length of time to be spent on the matter(s) to be discussed".

12.03 – "Upon request from the Union, the Corporation will release, without loss of pay or leave credits, up to three (3) employees for the purpose of attending Joint Committee meetings".

12.04 – "A joint committee must produce a written report of its activities and the results of its discussions. The joint committee shall cease to exist on the production of its final report. A copy of the final report of a local joint committee will be forwarded to the national level".

12.05 – "The result of a joint committee's deliberations shall not be binding on either party. However, the parties agree to meet at a mutually agreeable time to discuss the result of a joint committee's deliberations"

Reasons:

The above texts had already been accepted by both parties. They had been questioned afterwards on account of the request contained in Article 12.04 of the management draft. As this request was withdrawn by the Corporation on November 26, 1970, we feel that these points are no longer at issue.

The Board has no recommendation to make concerning the requests contained in Articles 12.04 and 12.05 of the union draft because they were not discussed before it.

It is necessary that there be co-operation and communication between the parties to promote healthy labour-management relations. This implies information, especially when it is the case of official documents which can be relevant to the enforcement of the collective agreement and the guidance of the employees such as for instance the Corporation's policies on fringe benefits, and by-laws and regulations of the Corporation. On this matter, we have noted at the hearings that the union referred to Corporation policies which were out-of-date without the union knowing it. The evidence submitted does not enable us to make specific recommendations on Articles 12.02, 12.03 and 12.06 of the union draft. However, we very strongly recommend that the parties agree on the contents of an article which would put into writing in a practical way the principles stated at the beginning of this paragraph.

ARTICLE 15 – (union draft):

Grievance procedure

ARTICLE 16 (management draft):

Points at issue: 16.04 of the management draft
15.05 of the union draft and 16.07 of the management draft
15.08 of the union draft and 14.01 of the management draft

Recommendations:

English text:

16.07 – (a) When a grievance arises at the local level either the employee(s) and/or the union representative shall submit it in writing to the local officer in charge of Industrial Relations on the prescribed form within 30 (thirty) days of the employee becoming aware of the incident;

16.07 – (e) The parties will meet within fifteen (15) days following the request for a meeting by the Union.

14.01 – "The Corporation will carry on its operations in a manner that will not endanger the health and safety of any of its employees and shall adopt and carry out reasonable procedures and techniques designed or intended to prevent or reduce the risk of employment injury in its operations, it shall be the duty of an employee to ensure his own safety and the safety of his fellow employees. Working conditions and employee facilities will be maintained in a clean and sanitary condition by the Corporation. Complaints arising under this article shall be referred to the Local Safety and Accident Prevention Committee. In the event that a complaint is not resolved by the Local Safety and Accident Prevention Committee, the Union may file a grievance which would be processed in accordance with Article 16.09 of the grievance procedure.

Reasons:

Because the Corporation withdrew its proposal concerning Article 16.04, the parties agreed on the above-mentioned texts before the Board on October 2, 1970.

ARTICLE 17 – (union draft): Posting of vacancies

ARTICLE 20 – (management draft): Posting of vacancies and promotions

Points at issue: 17.01 of the union draft and 20.01 of the management draft
20.02 of the management draft
17.02 of the union draft and 20.03 of the management draft
17.08 of the union draft and 20.08 of the management draft

Recommendations:

English text:

20.02 – "When a position needs to be filled the vacancy will be posted on bulletin boards for at least seven (7) calendar days as follows:
a) locally – all classifications;
b) regionally (all Television Production Centres within the region-area) – classifications in group 5 and above;
c) nationally (all Television Production Centres in Canada) – Designers; film-editor-in-charge; film cameramen".

20.03 – "An employee who applies for a transfer or promotion to a vacant position within the bargaining unit will have his application acknowledged by interview locally, of which reasonable notice shall have been given to the employee".

20.08 – "When vacant positions are to be filled, the Corporation undertakes to post as follows:
a) positions under the jurisdiction of other unions in accordance with the provisions of the appropriate collective agreement;
b) staff television producers' positions;
c) confidential positions;
d) management scale positions in groups 1, 2 and 3 when these vacancies constitute a normal avenue for advancement for employees in the bargaining unit.

Employees have a right to apply for such vacant positions and will receive acknowledgement of such application. Failure to be selected for a position outside the bargaining unit is not subject to the grievance procedure".

Reasons:

Texts 20.02 and 20.03 reflect the wishes of the parties.

Text 20.08, taken from the last management proposal before the Board, constitutes an innovation in the collective agreement which opens new opportunities for the union members. In our opinion, it should meet the union requests.

As for Article 20.01, the Board notes the agreement of the parties to the effect that a vacancy means a newly created job as well as a job becoming vacant after the occupant has left for some reason or other. There remains a difference of opinion as to the temporary or permanent nature of this job. The members of the Board are aware that this question raises very special problems and feel that the parties alone are in a position to formulate an operational text.

ARTICLE 20 – (union draft):

Weekly hours of work and weekly rest

ARTICLE 22 – (management draft):

Points at issue: 20.01 of the union draft and 22.01 of the management draft
20.05 of the union draft and 22.04 of the management draft
20.03 and 20.08 of the union draft

Recommendations:

English text:

22.01 – "The work week shall consist of forty (40) hours and each Tour of Duty beginning between 0001 hour Monday and 2400 hours the following Sunday inclusive shall be credited to that Work Week for pay purposes. The hours of work shall be exclusive of meal periods but inclusive of break periods.

22.02 – (a) See Article 22.02, management proposal, as agreed on 7 January 1970.

22.02 – (b) The Corporation shall schedule such days off to include both Saturday and Sunday as frequently as possible. In any event days off shall include Saturdays or Sundays or both at least thirteen (13) times a year inlcuding days off scheduled consecutive with or during periods of leave. The provisions of this article do not apply where it is mutually agreed between the Corporation and the employee to waive this requirement.

22.04 – (a) 1 (one) day off shall consist of 24 (twenty-four) hours plus a turn-around period of 12 (twelve) hours for a total of 36 (thirty-six) hours;
(b) 2 (two) consecutive days off shall consist of 48 (forty-eight) hours plus a turn-around period of 12 (twelve) hours for a total of 60 (sixty) hours;
(c) 3 (three) consecutive days off shall consist of 72 (seventy-two) hours plus a turn-around period of 12 (twelve) hours for a total of 84 (eight-four) hours;
(d) 4 (four) days off back-to-back in 2 (two) consecutive work weeks shall consist of 96 (ninety-six) hours plus a turn-around period of 12 (twelve) hours for a total of 108 (one hundred & eight) hours.

22.07 – "There shall be no scheduling of split shifts".

Reasons:

The Union had accepted in principle Article 22.01, depending on the wage offer. Since Article 20.01 of the union text reflects the same spirit in different terms, we feel that this article should not be considered as really being at issue.

Article 22.02 b comes from the management proposal of November 25, 1970 and constitutes a positive reply to the union request on this point. This new provision requires that Article 22.02 accepted on January 7, 1970 be renumbered to become 22.02 a.

Article 22.07 constitutes an acceptance of the union request by the management party on November 25, 1970.

Quantum was the real point at issue in Article 22.04, the union asking that the daily rest period be 15 hours, the Corporation proposing that the provision of the previous agreement providing for 12 hours be maintained.

Considering that the provisions of the collective agreements signed by the Corporation and the two unions NABET and ARTEC state that this rest period will be 12 hours, considering that the union did not give sufficient evidence to justify its claim, considering that the union request has practical implications which the Board is not in a position to appreciate, the members of the Board unanimously recommend that the status quo be maintained.

ARTICLE 21 – (union draft): Rest period and encroachment

ARTICLE 23 – (management draft): Daily rest period

Points at issue: 3.10 of the union draft and 23.01 plus 3.10 of the management draft
21.02 of the union draft and 23.02 of the management draft
21.01 of the union draft
23.03 of the management draft

Recommendations:

English text:

23.01 – A turn-around period is the period of at least twelve (12) hours between the end of one tour of duty and the commencement of the next tour of duty.

23.02 – All assigned and/or approved time worked, and any meal period, which encroaches on the turn-around period shall be paid for at additional one-half the basic hourly rate.

Reasons:

The reason concerning 23.01 was formulated when the reason for Article 22 was given. There is no need to maintain the definition 3.10 which reproduces textually Article 23.01.

As for Article 23.02, it seems to us that the parties agreed on this principle.

The Board does not have any recommendation on Articles 21.01 and 23.03 because they were not sufficiently substantiated by the parties.

ARTICLE 22 – (union draft):
Posting of the time-table
ARTICLE 24 – (management draft):

Points at issue: 22.01, 02, 04, 05 and 06 of the union draft
24.01, 02 of the management draft

Recommendation and reason:

Article 22.05 of the union draft should be deleted because this point is also covered in Article 24.05. As for the other points at issue, the Board has no recommendation to make.

The problems raised are purely mechanical (sic). The parties simply made contradictory statements before the Board. No evidence authorizes a recommendation one way or the other. Let the parties negotiate.

ARTICLE 23 – (union draft): Meals and break periods

ARTICLE 27 – (management draft): Time for meals

Points at issue: 23.01 to 23.16 inclusive of the union draft
27.01 to 27.07 inclusive of the management draft

Recommendations:

English text:

27.06 – "Two dollars ($2.00) shall be allowed to compensate for the cost of this second meal provided that: work is performed beyond this meal period
or
that the hours of work in the tour total nine (9) or more, and four (4) hours or more have been worked following the completion of the first meal period".

27.07 – "An employee is not entitled to second meal compensation when he is on a remote assignment and has a meal provided for him or when he is on an out-of-town assignment and he receives compensation under the provisions of the Corporation's Travel Regulations.

Reasons:

The text of Article 27.06 is a management counter-proposal which meets the union request.

The text of Article 27.07 appears reasonable to us because it follows Article 27.06 and is aimed at avoiding that a same person be paid twice for the same meal. The principle behind this provision is also found in collective agreements signed with ARTEC and NABET.

The other matters at issue deal with mechanical aspects and are not sufficiently substantiated to warrant us to make recommendations.

ARTICLE 28 – (union draft): Paid holidays

ARTICLE 34 – (management draft): Holidays

Points at issue: 34.10 of the management draft

Recommendation:

English text:

34.10 An employee will not be entitled to holiday pay and reduction in the work week for pay purposes:
a) If he does not adhere to his assignment on the holiday (unless excused), or
b) If on both the working day prior to, and the working day following the holiday, he is absent without pay (unless on authorized absence), or
c) If he is not otherwise entitled to pay for the week in which the holiday occurs, unless he is on leave without pay for Union activities as provided in Article 40.01 a.

Reasons:

This is the case of a clause to which the union objects. We feel that it is justified in the context of the Canadian Broadcasting Corporation because it exists in the other collective agreements of the Corporation.

The members of the Board unanimously propose to add to point (c) a provision which exists in the NABET agreement and which seems fair.

In a majority vote, the management representative being dissident, the members of the Board propose to add to point (b) the following words ("unless on authorized absence"). It seems to us that this provision is in keeping with the spirit of the clause, while granting flexibility and making it possible to control potential abuse.

The Board has noted that the union party had withdrawn its proposal contained in Article 28.06 on October 27, 1970.

ARTICLE 32 – (union draft):
Time off for union business

ARTICLE 40 – (management draft):

Points at issue: 32.03 and 32.04 of the union draft
40.03 of the management draft

Recommendation:

English text:

40.03 – The Corporation will endeavour, when requested, to assign employees who are members of the Board of Stewards of the Local of the Union at each location such that their tours of duty do not fall within a specified four-hour-period one day each month. The period and day for each location shall be provided by the Union under separate cover.

Reason:

On October 27, 1970, the Union accepted Article 40.03 of the union proposal and withdrew at the same time its requests contained in 32.03 to 32.04.

SECTION II

In this part of the report, our recommendations do not include any specific texts. We merely formulate principles and indicate guide-lines likely to achieve a fair settlement of the points at issue.

ARTICLE 4 – (union draft): Rights and obligations of the parties

ARTICLE 4 – (management draft): Management rights

Points at issue: 4.01, 02 and 03 of the union draft
4.01, 02, 03 and 04 of the management draft

Recommendation and reasons:

The members of the Board are not convinced of the usefulness of a very detailed clause on management rights. But we do not intend to substitute our opinion to that of the parties. That is the reason why we recommend that the parties use the clause in the collective agreement signed by ARTEC and the CBC (April 1, 1968 – March 31, 1970), namely Article 4.

We see two advantages to this. On the one hand, the text of this article seems clearer to us. On the other hand, this would make for standardization between two closely-related bargaining units.

ARTICLE 6 – (union draft): Jurisdiction of the union

ARTICLE 6 – (management draft): Authority of the union

Points at issue: 6.01, 02, 03 and 04 of the union draft
6.01, 02, 03 and 04 of the management draft

Recommendations and reasons:

Re: 6.01. We feel that it would be preferable to maintain the text in the present collective agreement.

Re: 6.02. We recommend that the text of the management proposal of March 26, 1970 (C-6) be retained and that the word "direct" be removed from the last paragraph which would read as follows "will not cause the demotion etc...". The management nominee is dissident concerning the second part of this recommendation and recommends that the word "direct" be maintained.

We feel that the first part of our recommendation meets the definition of the situation by the parties. The second part is aimed at avoiding conflicts of interpretation of the word "direct" on the one hand and conforms with a tendency aimed at ensuring in practice a maximum of job security.

Re: 6.03. Here we find the problem of sub-contracts. We are aware that, due to the nature of its operations, the Corporation must call upon people who are not employees to carry out certain tasks. We are also aware that this practice can have an impact on the job security of the members of the bargaining unit. We are finally aware that there can be some abuse or that a misappropriation of funds can result. It thus seems advisable to us that the parties may co-operate on this important question.

It seems to us that this co-operation was achieved by the Corporation and NABET in Articles 25.3 and ss. (collective agreement in force from July 1, 1968 to June 30, 1971). We thus recommend that the parties draw their inspiration from the principles behind these clauses by making adjustments to meet the particular conditions of their bargaining unit. The management nominee rather recommends that the management proposal (C-11) be retained.

Re: 6.04. We recommend that the spirit of the present collective agreement be maintained, as formulated in the Corporation's proposal of March 26, 1970 (C-6).

ARTICLE 16 – (union draft):
Seniority
ARTICLE 17 – (management draft):

Points at issue: 16.01 to 16.11 of the union draft
17.01, 02 and 03 of the management draft

Recommendations and reasons:

We feel that the various provisions concerning seniority found in various parts of the collective agreement should be integrated into one clause. As this question was discussed very little before us, our recommendations are only general guidelines.

Accumulation of seniority: text based on Article 17.01 of the management draft.

Interruption and re-instatement of seniority: text based on Articles 17.02 and 17.03 of the management draft.

Lay-off: text based on Article 18.06 of the management draft (March 26, 1970 C-6), by removing "and that he be able to immediately perform the duties to which he is assigned". This requirement does not seem practical to us. We feel that the parties should rather provide for probationary periods, the duration of which would be related to the requirements of the various duties. The management nominee is opposed to the principle of the existence of a probationary period.

Promotion: We recommend that Article 20.06, on which there was previous agreement be transferred to the seniority clause. We suggest that an adequate trial or probation period be provided for. The union nominee recommends that the burden of proof rest upon the Corporation, when the employee having the most seniority does not get the promotion when he has applied for the job. Under the terms of Article 20.05, accepted by the parties, the management nominee is opposed to the principle of the existence of a probation period.

Temporary promotion: (for a period of 3 months or more). We recommend that seniority constitute the determining factor providing the most senior employee can fulfill the requirements of the task and that an appropriate trial period be provided for, if need be. This procedure would improve permanent promotion opportunities for employees having most seniority. The management nominee recommends that the provisions of Article 20.06 also be those which apply in the case of a temporary promotion.

We also recommend Article 16.05 of the union proposal concerning the supplying to the union of the seniority list of the bargaining unit. This is obviously information that the union must possess.

ARTICLE 35 — (union draft): Job security and vocational training

ARTICLE 18 — (management draft): Lay-off and re-instatement of laid-off employees

Points at issue: 35.01 to 35.10 of the union draft
18.01 to 18.14 of the management draft

Recommendation and reasons:

This deals with job security. To solve such a problem, the mechanical aspects are as important as the principles themselves. That is the reason why in our opinion this solution is the main responsibility of the parties and that they must proceed through collective bargaining. In order to assist them, the members of the Board suggest the following general guidelines:

1 — Considering the situation at the Canadian Broadcasting Corporation, one must admit the possibility that there be lay-offs either due to a lack of work, to technological change or to changes in operational procedures,

2 — It is possible to set up policies and practices which are likely to prevent or reduce lay-offs to a minimum. It is in everybody's interest that all of them be examined before proceeding with lay-offs, whatever the cause;

3 — We feel that this is a responsibility that both parties must assume jointly. Among other ways of doing so, they could form joint manpower committees, be they ad hoc or permanent. These committees could work on any measure aimed at preventing or reducing lay-offs, such as: training and re-training, mobility within the Corporation, attrition, early retirement, redistribution of hours of work and overtime, reduction of the use of temporary and casual employees, reduction of contract work as well as any other measure on which the parties could agree.

4 — If one really wishes that joint responsibility be assumed, the union must be notified in advance. The notice must be reasonable, in the sense that it must, on the one hand, take into account the number of employees concerned and the nature of the cause of a probable lay-off and, on the other hand, be long enough so that corrective measures may be taken if need be.

5 — When lay-offs cannot be avoided, they must take place according to the procedures provided for in the collective agreement.

6 — Lay-off benefits should be provided for.
The management nominee suggests that there be two articles, one covering lay-offs lasting more than three months, due to a lack of work, the other covering the lay-offs and demotions due to technological change or changes in operational procedures; that a thirty-day notice be given to the employees in each case; that a notice be given to the union according to the time-limits provided for in the Québec legislation, the number of salaried employees affected being figured by the Centre concerned, until federal legislation is adopted on this question; that the lay-offs for less than three (3) months be not covered by these articles.

ARTICLE 24 — (union draft): Overtime

ARTICLE 28 — (management draft): Overtime

Points at issue: 24.01 to 24.08 inclusive of the union draft
28.01, 02, 03, 28.01 A of the management draft

Recommendation and reason:

The Board notes the agreement reached at 28.01 A, which took care at the same time of Article 34.09 of the management draft.

The union request in Article 24.05 meets the principles of Article 13.3. We recommend that Article 13.3 be maintained because we see no justification for the removal of this provision.

The dispute concerning the quantum and other mechanical aspects was not sufficiently substantiated to enable us to take a stand. The solution must be found through collective bargaining.

ARTICLE 26 — (union draft): Differentials

ARTICLE 29 — (management draft): Night shift differential

Points at issue: 26.01 and 02 of the union draft and 29.01 of the management draft
26.03 and 04 of the union draft and 29.02 of the management draft

Recommendation and reason:

The Board has no specific recommendation to make.

The members of the Board feel that in principle night or evening shift work deserves a compensation either in money or some other way, for the inconveniences they cause the employees. They also acknowledge, on the one hand, that the Corporation, on account of the very nature of its production, is an undertaking that can hardly be compared with manufacturing firms. There is not too much night work whereas evening work seems to affect a few particular categories of employees.

For the time being, agreement on Article 29.01 remains a matter of collective bargaining where the parties must make choices in terms of the wage package negotiated. Article 29.01 will automatically flow from the agreement on Article 29.01.

ARTICLE 27.01 — (union draft): Annual vacations

ARTICLE 33.01 — (management draft): Vacations — annual leave

Points at issue: 27.01 to 27.13 of the union draft
33.01 to 33.06 of the management draft

Recommendation and reason:

Concerning the mechanical aspects of the vacation schedules, we recommend that the parties follow the model found in the ARTEC collective agreement (April 1, 1968 to March 31, 1970). It seems to us that this model meets the concerns of both parties. Moreover, this is an opportunity to standardize conditions affecting two groups of employees having the same employer.

As for the union request found in Article 27.02, it seems to us that the dispute can easily be solved by considering the spirit of Article 34.3 of the collective agreement with NABET (July 1, 1968 to June 30, 1971) and making the necessary changes to take into account the particular aspects which might be involved in this case.

The Corporation's policy of granting three weeks' vacation from the first year seems generous to us. However, the period required for an additional week to be added seems very long to us. The information we were given does not authorize us to make a specific suggestion. We would also agree in principle that the vacation period be a little longer after 25 years of service.

This question involves a rather considerable amount of money. That is the reason why it must considered in relation with the wage package negotiated.

ARTICLE 29 – (union draft): Sick leave

ARTICLE 35 – (management draft): Sick leave

Points at issue: 29.01 to 29.07 of the union draft
35.01 to 35.07 of the management draft

Recommendation and reasons:

We recommend that be written into the collective agreement the Corporation's policies, 6.2.1 and 6.10.1, in force at the time the collective agreement is signed, while removing from them their discretionary character and that be provided for mechanical clauses in order to make for an adequate control over the possible abuses.

Our proposal, on the one hand, implies that we consider the present policies of the Corporation fit to meet the union's concerns and, on the other hand, is aimed at providing for a mechanism which eliminates the respective concerns as to their application.

ARTICLE 31.04 – (union draft):
Maternity leave

ARTICLE 38.02 – (management draft):

Recommendation and reasons:

We make the same recommendation and for the same reasons as for sick leave and severance pay. This is the case here of policy 6.7.1 of April 1, 1969.

SECTION III

Wage recommendations:

1 – The members of the Board feel that changes in the wage structure, if need be, should be made through collective bargaining. It is up to the parties to determine what should be the interdependence between the various functions, considering the implications on the labour market. That is why no recommendation is made concerning the union proposals aimed at changing certain degrees in the wage structure.

2 – We recommend that the collective agreement be for a period of two years from the date it is signed. The large number of points presently at issue shows that the parties have not yet learned to really co-exist. The last collective agreement expired on January 1, 1970. To provide for a two-year collective agreement effective from the expiry date of the previous one would be to again place the parties in a situation where they must begin to negotiate a new agreement without having really had the time to live together under the terms of the agreement they have just ratified.

3 – We recommend retroactive pay for all the employees who were members of the bargaining unit at the time the collective agreement expired or who became members afterwards. The management nominee feels that this retroactive pay should apply only to those who are still in the employ of the Corporation or who were laid off by the latter since the expiry of the last collective agreement. The two other members feel that even the persons who have left voluntarily should not suffer any prejudice due to the fact that the collective agreement was not renewed as soon as it expired.

4 – The management nominee recommends the following wage increases based on the proof submitted by the Corporation:

Retroactive pay: 4%

First year of the collective agreement: 6% cumulative

Second year of the collective agreement: 4% cumulative

The union nominee and the Chairman of the Board make the following recommendations:

Retroactive pay 8%

First year of the collective agreement: 7% cumulative

Second year of the collective agreement: 6.5% cumulative

These recommendations are based on agreements reached during this year, especially in certain major industrial sectors such as the railways.

SECTION IV

The Board makes no recommendation on the following matters because the latter have never been discussed at the hearings or, when they were brought up, they were never sufficiently substantiated:

- Working conditions peculiar to the film cameramen;
- Working conditions peculiar to the designers;
- Transfers;
- Job evaluation;
- Temporary assignments:
- Transfer of scenic constructors to Group 5;
- Fringe benefits;
- Bonus for bilingualism.

(Sgd) Raymond Caron,
Management nominee

Léo Roback,
Union nominee

L.-Marie Tremblay,
Chairman.

January 7, 1971

Report of Board of Conciliation and Investigation established to deal with dispute between

Hudson Bay Mining and Smelting Co. Limited

and

Association of the Flin Flon Trade Unions

The Board was under the chairmanship of Roy A. Gallagher, Q.C., of Winnipeg, appointed by the Minister of Labour in the absence of a joint recommendation from the other members of the Board, Henry B. Monk, Q.C., and Joseph James, both of Winnipeg, who were previously appointed on the nomination of the company and union, respectively. The report was received by the Minister in January.

The Board endeavoured to arrange the earliest possible dates for hearings with the parties, but due to the number of people involved it was impossible to arrange for the first hearings to take place until December 2 and 4, 1970. These, and subsequent hearings, were all held at Flin Flon, Manitoba.

After the first hearings with the parties on the above dates, it was arranged that the Board would meet with the parties again the following week. Unfortunately, one the Board members became ill and it was necessary either to adjourn the hearings or to have this member resign his position and a new member appointed to the Board.

The parties were advised immediately of this situation and both agreed that the hearings should be adjourned until the Board member had recovered so that the Board might reconvene the hearings.

Further hearings were held with the parties on January 4 and 5, 1971.

This Board was unable to bring the parties together in a settlement of the issues between them, and it becomes necessary, in the Board's view, to set out the reasons for its failure. To do so adequately also requires, in the Board's opinion, that the facts surrounding the relationships of the parties over the past number of years be set forth in some detail.

Although the company has been in operation in the Flin Flon area since about 1929, most of the trade unions involved in the present dispute were certified by the National Wartime Labour Relations Board in approximately the year 1945. These unions are what are usually known as the "craft" unions. The larger group of mineworkers were certified about the same time to the Flin Flon Base Metal Workers' Federal Union No. 172.

Negotiations between the company and the Base Metal Workers' Union and the craft unions were carried on insofar as the several unions were concerned by a Central Bargaining Committee representing all these unions — even though separate certifications were held by these unions and separate collective agreements were entered into by the company with the individual unions over the years.

This state of affairs continued from the year 1945 until 1965. In December, 1966, the United Steelworkers of America applied to the Canada Labour Relations Board for certification as bargaining agent for all employees of the company then certified to the Flin Flon Base Metal Workers' Federal Union No. 172, and who had been previously bargained for by the Base Metal Workers' Union as part of the negotiations conducted by the previously mentioned Central Bargaining Committee with the company.

In the month of March, 1967, the Canada Labour Relations Board certified the United Steelworkers of America for the employees, generally speaking, of the company previously represented by the Base Metal Workers' Union aforesaid.

Although there was then a collective agreement — which still had some time to run — in force between the Base Metal Workers' Union, as the former certified bargaining agent, and the company, the Steelworkers gave the company notice to commence collective bargaining — a procedure which the Steelworkers as the new certified bargaining agent was, by law, entitled to take.

As a result, a new collective agreement was signed between the company and the Steelworkers effective from the 1st day of October, 1967.

In the meantime, in late 1966, the seven craft unions then certified as bargaining agents for certain employees of the company — apparently with knowledge of what was transpiring with regard to the Base Metal Workers' Union and the United Steelworkers of America — formed The Association of Flin Flon Trade Unions.

Negotiations with The Association of Flin Flon Trade Unions and the company for a new collective agreement began in June 1967. In August, 1967 The Canada Labour Board certified the Bricklayers, Masons, Cement Block Layers, Marble Masons and Vitrolite Tile Setters, Terrazzo Workers, International Union No. 1 of Manitoba, for certain craft employees of the company, so that at those negotiations, while they were conducted by the several unions jointly with the company, the company was in effect dealing with some eight craft unions, namely:

INTERNATIONAL ASSOCIATION OF MACHINISTS,

INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS (2 locals and 2 certifications),

INTERNATIONAL BROTHERHOOD OF BOILERMAKERS,

UNITED BROTHERHOOD OF CARPENTERS,

BROTHERHOOD OF PAINTERS, DECORATORS,

INTERNATIONAL UNION OF OPERATING ENGINEERS, and

BRICKLAYERS INTERNATIONAL UNION.

Negotiations between the Company and the above unions continued through the Conciliation Officer, Conciliation Board procedure, and finally a new collective agreement was signed between the parties, effective from March 1, 1968 until September 30, 1970.

In April 1968, the International Union of Operating Engineers advised the Company that it was withdrawing from The Association of Flin Flon Trade Unions and wished to become a party to the same collective agreement as had been negotiated by the United Steelworkers of America with the company, and which agreement had the same expiry date of September 30, 1970, as the "craft" agreement. This request was granted by the company.

Thus, as of September 30, 1970, the situation existed whereby the company could possibly be required, depending on the intent of the individual unions, and the procedures which they might adopt, to negotiate with nine separate unions.

The company was well aware of this situation, and the Board was advised, although no material or documentation was filed with it, that the company had applied some months before to the Canada Labour Relations Board to obtain the right to bargain with one single unit composed of all of the individual unions. We are also advised that this request was refused.

That the craft unions would not agree to bargain as one single unit with the Steelworkers and Operating Engineers must have been apparent to any person who had some knowledge of the negotiations between the craft unions and the company which had led to the agreement of March 1, 1968, referred to above.

In the events leading up to the above agreement in 1968 the craft unions had gone to the brink of a strike with the company. Their major complaint, whether justified or not, is not a matter for this Board to comment upon. It was that they were being identified too closely through the proposed new collective agreement with the Steelworkers, that the articles of the proposed collective agreement were more or less designed for the functions of the members of the Steelworkers unit, and did not give sufficient acknowledgment and understanding of the separate and distinct functions of the members of the craft groups, and that any such proposed agreement, if entered into, would be a retrograde step on the part of the members of the craft unions.

The question then becomes one of why the craft unions entered into such a collective agreement.

These unions say simply that the majority of the total membership of the craft unions were completely opposed to entering into such an agreement, but that what brought it about was simply that the constitution of The Association of Flin Flon Trade Unions provided that with respect to the ratification of any proposed agreement the ratification vote would be based on one vote per union, as distinct from one vote per union member, and that the majority of the unions, while not a majority of the membership of all said unions ratified the proposed agreement. In any event, the collective agreement referred to above was entered into with the company.

The unions have submitted to this Board that the history of that agreement was one replete with difficulties — in the form of grievances, failure of the company to live up to interpretations of wordings, which interpretations had been accepted by the parties for many years, and so on. The Board is not in a position to make any comment on the accuracy of such statements — and does not — but this does not detract from the fact that the representatives of the craft unions who appeared before it held these views sincerely, and with much feeling.

It is essential, in the Board's view, to an understanding of what has been stated above, as well as that which will be stated hereafter, to understand the relative sizes of the groups which make up the total "trade union movement" within the employ of the Company. The Steelworkers and Operating Engineers, which as stated above, are really parties to the same agreement, represent approximately 1600 to 1700 members of the work force. The seven craft unions mentioned above represent approximately 600 to 650 members of the work force within their bargaining units. As well, there are some 500 employees who are not represented by any union whatsoever.

Prior to the termination date of the last collective agreement (September 30, 1970) the seven craft unions apparently gave notice of opening their agreements for revision, and a meeting was held with the company on July 14, 1970. As a result of discussion at this meeting, the seven unions, who made up The Association of Flin Flon Trade Unions, agreed to negotiate as a group, and on July 20, 1970, this group of unions submitted a new proposed collective agreement to the company, which is best summarized by saying that it is a completely new document from the collective agreement terminating on September 30, 1970. The group of seven unions (which will be called hereafter "the Association") also agreed to meet with the company to commence collective bargaining on August 3, 1970.

Meanwhile, the Steelworkers and Operating Engineers apparently had submitted notice to the company for the revision of their collective agreements which also were to terminate on September 30, 1970, and arrangements were made for collective bargaining to commence between the company and these unions on August 3, 1970 as well.

On August 3, 1970, the company met with both the steelworkers and Operating Engineers, and the Association. Apparently negotiations with the Steelworkers and the Operating Engineers were productive, and, as a result, a new collective agreement was signed between these parties on September 15, 1970, effective from October 1,1970, for a period of three years.

Negotiations on the same date with the Association were not so fruitful. The company took the position which it was entitled to do, that it would not consider the new draft proposed agreement submitted by the Association, and advised the Association that the collective agreement then in force should form the basis for negotiations, but that it was prepared to consider any change which the Association might submit.

The Association took the position, which it also was entitled to do, that it would not negotiate on the basis of the prior agreement, but desired to negotiate on the basis of the new draft agreement which had been submitted to the company.

As could be expected, negotiations between the company and the Association broke off at this point in time.

The Association applied to the Canada Department of Labour for the assistance of a Conciliation Officer and an officer was appointed. He held a meeting with the parties on September 10, 1970, and found that the company and the Association were maintaining their prior positions. There was, however, one qualifying point in this connection. In the interval, between August 3 and the meeting with the Conciliation Officer on September 10, the company and the Steelworkers and Operating Engineers had made their peace, and while the proposed settlement had not been ratified by the membership of these unions, a ratification vote had been held on September 9, and it was only the official result of that vote that was not known to the Conciliation Officer. It was no secret that the proposals on which ratification was sought had received acceptance.

In order to properly appreciate the effect of the prior settlement made with the Steelworkers and the Operating Engineers upon the positions of the parties to this dispute, it is necessary to understand the unusual situation which pertains in respect to the job classifications of the company and the certifications of the various unions, which has resulted, in part, from the historical development previously discussed in this report.

Initially, the Base Metal Workers' union represented nearly all the employees of the company. It was the only union representing employees of the company, and job classifications as such had little significance and were not precisely limited or defined. Subsequently, the craft unions were certified and formed an association as indicated above, and there were included in their certifications many occupations similar to those included in the certification granted to the Base Metal Workers' union. When the Steelworkers' union was certified, it assumed the certification and position of the Base Metal Workers' union in this respect. In addition, over the years in which collective bargaining has taken place, alterations have been made in the certifications of all unions by agreement between the company and the unions, and the same have been altered in respect of job classifications as seemed proper to the unions and to the company at those times.

This Board has reviewed the various original certifications of the unions comprising the Association, and the various documents submitted in the briefs of the parties. The member unions of the association are craft unions, but their certifications as presently existing include categories in many instances which are not strictly craft occupations. This has the result that the occupational classifications as certified to the various unions of the Association and to Steelworkers and Operating Engineers cut through and across the various departments and plants of the company, and in some instances also cut through different categories of a single occupation Some departments and plants of the company have employees from as many as five different unions in their work force, and

indeed an employee may be working in a classification of employment where if promoted he falls into the certification of a different union when he changes his employment in the same department.

The Board was advised that currently there are 274 employees, or approximately 50% of the employees represented by the Association, engaged in occupational classifications which are the same as those in which members of the Steelworkers are engaged, and there are a greater number of employees in the Steelworkers who are employed in classifications which are the same as, or require skills which have for years been regarded as equal to, those required in the classifications certified to the Association.

The company at the meeting with the Conciliation Officer and representatives of the Association offered the very same terms of settlement to the member unions of the Association on the basis that persons in any union doing the same work, or exercising equal skills, should be paid equally. In effect the company was saying to the several unions that they should forget their request for an entirely new agreement and should accept the revisions to the existing collective agreement which had been proposed to the other unions, and which the company and the Association knew had been ratified.

Needless to say, these revisions, while relating to such matters as wages, holidays, vacations, welfare plans, etc., and while being substantial in financial cost to the company, did not deal with the matters which the representatives of the several unions making up the Association felt were of the utmost importance. These were: the changing of the language of almost the entire contract in order to avoid those alleged difficulties which the Association said its members had had to suffer since the execution of the last agreement.

Also, the Association representatives took the position before the Conciliation Officer, and subsequently (which position is not without some justification) that the other unions were not going to do their negotiating for them.

As a result the meeting with the Conciliation Officer met with no success.

The hearings with this Board met with no greater degree of success. The parties were still adamant in their positions.

The company stated that its settlement with the Steelworkers and the Operating Engineers represented a substantial increase to its employees in terms of money, and was a settlement which should be accepted by the craft unions. The company stated that it was prepared to discuss, and to negotiate, any articles of the existing agreement. However, exploration of this statement by the Board can lead only to the conclusion that the company is happy with the format of the present collective agreement, and while prepared to discuss the various articles of the same, is not really prepared to make any amendments of substance thereto.

The above comments are not made with a view to criticizing the company's position in this matter. The company sincerely believes that the present collective agreement is a well-drawn document – a statement with which the Association does not agree. As well, the company is also concerned with the thought that any change it might agree to in any of its collective agreements would redound to its detriment in all of its other collective agreements.

The Association, on the other hand, stated that it was not prepared to discuss, or negotiate, with the company based on the language and wording of the prior agreement. The Association indicated that insofar as money matters were concerned the settlement with the other unions would likely form a suitable basis for the settlement of these issues in this case, although the Association emphasized that there were areas involving money which would be issues between it and the company.

With the parties taking, and holding fast to, the positions outlined above, there was nothing this Board could do to assist them in resolving their problems.

However, the Board wishes to place clearly on the record the fact that it made every effort to bring the parties together in agreement, and, failing that, at least to start them on the path of negotiations for the first time in this dispute.

Due to circumstances outlined above this Board is not in a position to make any reasonable recommendations with a view to the solution of the issues between the parties.

SIGNED at Winnipeg, Manitoba, January 13, 1971.

(Sgd) R.A. Gallagher,
Chairman

Henry B. Monk,
Member

J. James,
Member

Report of Board of Conciliation and Investigation established to deal with dispute between

Canadian Pacific Railway Company
(S.S. "Princess of Acadia," Bay of Fundy Service)

and

Seafarers' International Union of Canada

The Board was under the chairmanship of Judge Nathan Green. Q.C., of Halifax, appointed by the Minister of Labour on the joint recommendation of the other members of the Board, Thomas Blair Drummie and Richard Shiels, both of Saint John, N.B., who were previously appointed on the nomination of the company and union, respectively. The report was received by the Minister in January.

The Board met with the parties collectively and separately but was unable to bring them together to an agreement.

For the purposes of this report I do not propose to recapitulate the various proposals and counter proposals. This information was clearly placed before the parties by this Board and the parties are aware of their respective final positions.

The employees involved in this dispute are unlicensed personnel on the S.S. "Princess of Acadia" employed in the Deck Department – Seamen, Watchmen, Quartermasters and Boatswain; in the Engine-room Department – Firemen and Oilers; and in the Stewards' Department employees engaged in providing service to passengers. The total number varies from winter to summer from 36 to 42.

Relevant to the company's position is the fact that two other groups of crew members are employed on the ship. The Deck Officers are represented by the Canadian Merchant Service Guild and the Engineer Officers are represented by the Canadian Brotherhood of Railway, Transport and General Workers. The company had concluded collective agreements with these two unions on substantially the same formula for these two groups of employees.

The collective agreement between the parties terminated on December 15, 1969. Negotiations commenced between the parties in December 1969 and earlier, but no agreement has been reached to this date despite the efforts of a conciliation officer appointed on March 17, 1970, and the efforts of this Board. This long period of protracted negotiations is to be regretted and has contributed to the difficulties in reaching any agreement.

The Board has carefully considered the "demands" of both parties and has agreed upon a proposal which it recommends to the parties. In doing so, it will not deal with the pros and cons of the various items which were before the Board and which have been omitted from this report. Insofar as these items are concerned the Board feels "on balance" that they should be omitted from the collective agreement at this time. Though there were a number of issues before the Board, the real issue is the wage package and I am satisfied that the parties could resolve the other items if agreement were reached on the "wage item."

Material to the "wage item" is the principal of an allowance for "subsistence" which was negotiated a number of years ago following the change of the nature of the operation when the employees no longer "lived" on the ship. The Board finds that this carryover is an anachronism, the "subsistence allowance" is in fact part of the pay package and in the common interest this item should now be "phased out." The contract should contain a provision reciting that the former custom and procedure of supplying meals and lodging has now been phased out completely and that the parties agree that henceforth it shall not be normal custom and procedure for the employer to supply meals or lodging except in the unusual circumstances listed in the contract.

On the foregoing format the Board recommends that the parties conclude a two-year collective agreement effective December 16, 1969, terminating on December 15, 1971, on the same terms and conditions as the previous collective agreement subject to the necessary changes in language to give effect to the following deletions, substitutions and additions.

1. Article 14 (d) delete words "in sufficient quantities" and substitute therefor "one bar of face soap and one bar of laundry soap each week."
2. Article 15 delete the entire clause with the exception of (b), (c) and (d) which shall read (a), (b) and (c) respectively.
3. Article 16 a new clause (c) shall be added to give effect to the letter of understanding concerning the provision for a hot meal after 9 p.m. This to apply only while the ship is on a one trip per day schedule.
4. Article 17 the standby hourly rate shall be recalculated to give effect to the wage rates set out in Article 19 based on 174 hours per month.
5. Article 17 (4) to be amended by the addition of "Boxing Day" as a ninth holiday.
6. Article 17 (f) (6) the rate of 70 cents per hour is to be increased by $6^1/_2\%$ for each year of the contract.
7. Article 17 (f) (7) the standby rate of six (6) cents per hour shall be changed to eight (8) cents per hour.
8. Article 19. Wages

The subsistence allowance of $35 per month is to be added to the wage rates listed in the former agreement under the heading "Dec. 16, 1968" and these totals shall constitute the basic wage rate as of Dec. 16, 1969. In the first year of the agreement the wage rate shall be the basic wage rate plus $6^1/_2\%$. In the second year of the contract the wage rate shall be the rate on December 15, 1970, plus an additional $6^1/_2\%$. The wage increases shall be retroactive to December 16, 1969. Attached hereto and marked "A" is the wage schedule.

9. Article 22. The figures "169 1/3" are to be deleted and the figures "174" to be substituted in lieu thereof.

Note: This is to give effect to the fact of an employee being paid for a 40-hour week which is 174 hours per month.

10. Article 24 (c) Add "Boxing Day."
11. Article 25 (b) When an employee is required to make an extra trip at overtime rates, total time will be computed on the basis of eight (8) hours within a spread of eleven (11) hours.
12. Article 36 Add word "qualified" in third line of Article 36 between "a" and "seaman."
13. Article 37 (c) delete the words "but shall not be required to soogee, chip, scale, prime or paint."
14. Article 40 (b) Seventy (70) cents per hour to be increased by $6^1/_2\%$ in each year of contract.
15. Article 46 (b) and (c) to be amended to give effect to the following vacation schedule —
    10 working days after one year
    15 working days after ten years
    20 working days after eighteen years
16. Article 49 (new clause) Any crew member hospitalized or out sick for a period of fifty (50) days or less will be allowed his annual leave.
17. Article 50 (new clause) In case of shipwreck unlicensed personnel shall be compensated in a sum not to exceed $350 with no minimum for loss of clothing or belongings.
18. Article 49 In old agreement to become Article 51 and to be amended by substituting "1969" in place of "1966" in line one and "1971" in place of "1969" in line two.

SCHEDULE "A"

Recommended New Wage Rates

19. WAGES

The following new rates shall apply:

Classification	Dec. 16, 1969	Dec. 16, 1970
Boatswain	472.41	503.31
Quartermaster	464.16	494.33
Seaman	446.33	475.34
Reliefman	464.16	494.33
Watchman	464.16	494.33
Second Steward	498.49	530.89
Asst. Steward	438.08	466.56
Stewardess	438.08	466.56
Utility Steward	433.12	461.27
Bell Boy	402.42	428.58
Fireman	455.91	485.44
Oiler	472.41	503.31
Relief Oiler	459.21	489.06
Cocktail Bar Steward	446.33	475.34
Cocktail Bar Waiter	415.30	442.29

At this time a vessel to replace the "Princess of Acadia" is under construction and is expected to be in service before the expiration of the agreement recommended to the parties by this Board. Both parties expect that it will be necessary to revise working conditions and duties, and indeed will likely require changes and additions to staff.

The company did negotiate a "reopener clause" containing provision for final and binding arbitration with the other two unions involved. This was an issue on which the union was adamant. For this reason the Board did not include it in the recommended agreement.

It is essential however to the successful operation of the new ship that the parties do meet as soon as the company will know what the needs are to discuss and negotiate any necessary changes. For this reason the Board considers mention of this matter material to this report.

DATED at Saint John, New Brunswick, January 18, 1971.

(Sgd) Nathan Green,
Chairman

Thomas B. Drummie,
Member

Richard Shiels,
Member

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together with

CLRB REASONS FOR JUDGMENT

No. 3, 1971

Conciliation Board Reports in disputes between:

C. P. Rail and Brotherhood of Locomotive Engineers

Canadian National Railways and Brotherhood of Locomotive Engineers

Québec North Shore and Labrador Railway Company and the United Transportation Union

Neil Penner Highway Service and General Drivers, Warehousemen and Helpers, Local 979

Reasons for Judgment in applications affecting:

Le Syndicat des Journalistes de Montréal Inc. (Applicant) and CJTR Radio Trois-Rivières Limiteé (Respondent)

Le Syndicat des Journalistes de Montréal Inc. (Applicant) and CJMS Radio-Montréal Limitée (Respondent)

CANADA DEPARTMENT OF LABOUR

Hon. Bryce Mackasey, Minister

J.D. Love, Deputy Minister

Report of Board of Conciliation and Investigation established to deal with dispute between C. P. Rail (Atlantic, Eastern, Prairie and Pacific Regions, including Quebec Central Railway) and Brotherhood of Locomotive Engineers

The Board was under the chairmanship of Roy A. Gallagher, Q.C., of Winnipeg, appointed by the Minister of Labour in the absence of a joint recommendation from the other members of the Board, R.V. Hicks, Q.C., of Toronto, and Marc Lapointe, Q.C., of Montreal, who were previously appointed on the nomination of the company and union respectively. The report was received by the Minister in March.

While the Board was finally constituted on September 30th, 1970, it was found to be impossible to arrange for hearings with the parties until the early part of November 1970. This was due entirely to the busy schedules of the members of the Board. After the initial meetings in November, efforts were made to arrange further hearings with the parties for the early part of December, but unfortunately it was found impossible once again to do so. Further hearings were eventually arranged for the early part of February 1971, and subsequently, the members of the Board met in private sessions on February 19th and 20th, 1971.

Unfortunately, shortly after the first hearing of the Board in November 1970, W. J. Wright, Assistant Grand Chief Engineer, and Chairman of the Brotherhood's Committee on both the C.P.R. matter and the C.N.R. dispute, passed away. His loss was felt greatly by the Brotherhood and by this Board.

Mr. Hemmingson became Chairman of the Committee and chief spokesman for the Brotherhood at all subsequent hearings with the Board. Mr. Hemmingson's place as General Chairman, Western Lines C.N.R., was filled by Mr. Murray who attended all subsequent hearings with the Board.

The last collective agreement between the parties was for a three-year period commencing on March 16th, 1967, and terminating on March 15th, 1970.

Notice was given for revision of this agreement by the Brotherhood to the Company on January 16th, 1970, and the Company gave notice to the Brotherhood of its desired revisions on February 19th, 1970.

Meetings of representatives of the parties were held in the month of February 1970, but little progress was made. In the months of April and May 1970, further meetings were held between representatives of the parties in the presence of an Industry Specialist of the Department of Labour, but once again little progress was made in achieving an overall settlement of the issues between them.

Negotiations between the parties finally failed on May 28th, 1970, and the Brotherhood requested the Minister of Labour to appoint a conciliation board. As a result this Board was appointed.

However, in the month of June 1970, the parties held several meetings and entered into a Memorandum of Understanding setting forth those issues which had been resolved by the parties, whether they emanated from the Brotherhood or the Company, and further setting forth some 22 Brotherhood requests and 1 Company request which were unresolved, and were to be in issue before this Board.

All other proposals, whether of the Brotherhood or of the Company, were withdrawn. Further, at one of the early hearings before this Board, the parties agreed that one further item, namely, the Weekly Indemnity provision, had been resolved. Thus, this Board was left with 22 requests for revisions to the last collective agreement.

While the Board held a good number of hearings with the parties, and received extensive argument from them on all of the foregoing requests, it was not long before the Board came to the realization that the issues being dealt with by the parties were of an extremely difficult and technical nature, requiring for their proper solution an understanding and appreciation of all of the many facets of railroading, and an expertise in these facets not possessed by the individual members of the Board.

In saying this the members of the Board are not endeavouring in any way to escape their responsibilities, nor to ignore the heavy burden and onus upon them to endeavour to bring about the resolution of these issues in an area of life so vital to the welfare and economy of this country.

But there is a very great danger, which the members of the Board can see, in having persons with little or no knowledge or expertise make recommendations to the parties which may cause great confusion and difficulty, and not really serve the best interests of either of the parties.

As will be seen from what follows, the customs, practices and work rules under which the parties carry out their working lives are of the utmost complexity. The requests, which are the subject matter of the dispute between the parties, touch upon some of the most fundamental and far-reaching working conditions. To be able to deal with these requests meaningfully would require a knowledge and understanding of railroading which could only be gained by intensive study and practical experience, all of which would require a great number of hearings by this Board possibly extending over a period of months.

Under these circumstances, this Board is of the opinion that it would best serve the interests of the parties if it confined its recommendations to two of the basic issues between them. With respect to these two issues, it is the Board's view that the knowledge of, and expertise in, the field of railroading referred to above is not essential to a proper assessment of such issues, nor is it essential to the making of proper recommendations with respect to them.

The two issues referred to are 1) Term of agreement, and 2) Wage increase. In essence the two matters are interrelated and the Board intends to deal with them as one item, making its recommendations at the end of our general remarks.

One of the basic issues between the parties on the issue of wages is simply that the Brotherhood says that, in determining the wage increase to be granted, the Board should have regard to the locomotive engineer's 'basic hourly rate' or 'basic daily rate' while the Company takes the position that the Board should have regard to 'average hourly earnings' or 'average monthly earnings' or 'average yearly earnings'.

While it might be said that the manner in which a locomotive engineer is paid is in itself a very complicated matter, it is also true to say that with a little study a layman can understand and appreciate it, and it certainly is not as complicated as some of the other issues which were placed before this Board.

Employees in this area really fall into two distinct categories or classifications. There are the yard service employees who, in laymen's language, work basically in railroad yards on an eight-hour, five day week. They are paid on the basis of an 8-hour day, with overtime for any time worked in excess of 8 hours. This is simple and straightforward.

However, we now come to the road service employees, who might be described (again in laymen's language) as the persons who operate trains, be they freight or passenger, over a considerable number of miles from one locale to another.

There has evolved in relation to these road service employees what is called the 'dual basis of pay' which takes into account the time on duty or the miles run.

Under the dual basis of pay concept, there is a rate for a basic day, but as will be seen later this rate cannot be looked at as the absolute figure which an engineer in road service will earn.

The 'dual basis of pay' concept provides for payment of wages based either on time on duty or miles travelled, with the employee to receive the highest figure to which he may be entitled whether it be based on one or the other of the above factors.

In road freight service, for example, a basic day is looked upon as 8 hours or 100 miles travelled. Thus it can be seen that the speed of the train is presumed to be 12 ½ miles per hour in freight service. This simply means that if the ideal situation existed of a freight run of 100 miles, and if the freight train in question completed that run in exactly 8 hours, the engineer would receive the 'basic day's' pay.

However, the problem becomes a little more complex if one changes the miles run or the hours on duty. For example, if the run were 150 miles and it was completed in 5 hours, the employee would be penalized if he was paid on the basis of hours on duty, and, alternatively, would receive in excess of the 'basic day' if he were paid on the basis of miles run. In such circumstances, the employee would be paid on the latter basis or, in other words, at the highest figure. Now take the example of the same 150 mile run and a time on duty of 13 hours. If the engineer was paid on the basis of 150 miles, he would again be penalized, since 13 hours at 12 ½ miles per hour entitles him to payment on the basis of 162 ½ miles using the conversion of the basic day rate to miles. Thus, he would be paid in this instance on the basis of time on duty.

But the matter does not end there. In addition to running 150 miles and spending 5 or 13 hours on duty, as in the above illustrations, there are other payments which reflect in the engineers overall compensation. There are payments made for 'preparatory' time, payments for 'initial terminal detention' time, payments for 'time held on duty yarding trains', payments for 'time delivering engines to shops', 'final inspection service', and so on.

In passenger road service, the same dual basis of pay prevails, with the difference that in this area the basic day is looked upon as 5 hours or less, 100 miles or less, thus relating to a speed of the train of 20 miles per hour.

In addition to the foregoing, rates of pay vary depending on the number of diesel units in the locomotive consist – the greater the number of units the greater the basic rate, and thus the greater the pay. As well, the monthly income of an engineer is regulated not by days worked, but by miles travelled. A freight engineer can make up to 3800 miles per month, and a passenger engineer up to 4800 miles, after which they are out of service of 'off for miles' for the balance of that month.

The Brotherhood, as noted above, based its wage submission on an argument relating to the 'basic day' while the Company took the position that it would be meaningless for this Board to arrive at a recommendation for a wage increase based on the 'basic day' rate when this rate has really only a small bearing in fact on what the locomotive engineer earns over the period of any given year.

In this Board's opinion the position taken by the company is the correct and logical one in relation to wage determination so far as the locomotive engineers are concerned. In this Board's view, it would be senseless – even ludicrous – for this Board to adopt as a criterion the 'basic rate' which really has only little reference to the take-home pay of an engineer in any given period of time. In this Board's opinion the proper benchmark for purposes of gauging a wage increase is what that employee, or the group of employees, actually receives as a wage during a given period of time.

On the issue of what would be the proper and appropriate wage increase the Brotherhood advanced an argument based on the suggestion of 'catching-up' with the wage increases received by railway conductors and yard foremen, and a further argument relating to the 'time lag' between the coming into existence of the last locomotive engineer's agreement and the last agreement relating to railway trainmen and conductors.

The last collective agreement of the locomotive engineers as referred to above, was for a period of 3 years from March 16th, 1967, to March 15th, 1970. This agreement provided for an equivalent of a 24% across the board increase over this 3-year period. Earlier in point of time the railway trainmen and conductors had negotiated an agreement for the years 1966, 1967 and 1968, with a similar 24% across the board increase, and, in addition, from December, 1968, the same railway trainmen and conductors had been granted a two-stage increase of 13.4% covering the two-year period ending December 31st, 1970 – that is, 6.5% as of January 1st, 1969, and 6.5% compounded as of January 1st, 1970.

The Brotherhood submitted that they had fallen behind the conductors and trainmen in that the respective increases of 24% (although for different years) in fact balanced each other out, and that now the locomotive engineers had fallen behind 13.4% in relation to conductor and trainmen's wages. The Brotherhood therefore requested, in effect, a 13.4% wage increase for the first year of the new agreement, i.e., from March 16th, 1970, to March 15th 1971.

There are a number of fallacies in this line of reasoning The Board does not intend to deal with all of them. It is sufficient to say that the end result of such reasoning is simply that collective bargaining as it is understood in Canada would become meaningless: contracts entered into today would be of little value, and with no binding effect, since both parties to the bargaining would be aware that subsequent events and decisions might have the results of destroying the effectiveness of any such bargaining in good faith. In addition, if such reasoning were adopted, and while it may be advantageous to the Brotherhood to do so at this particular time, it could work to the Brotherhood's disadvantage at subsequent stages in time depending on the bargaining effectiveness, and the decisions made, by the other union(s).

To adopt such line of reasoning, in this Board's view, would be a disservice to both the Brotherhood and the Company.

This is not to say that the wage settlement made by the trainmen and conductors as above set forth, and indeed other wage settlements on the railroads and throughout industry generally in Canada are not relevant to this Board's consideration. Obviously such settlements are a pertinent consideration, but not the only consideration, in the process of wage determination.

This Board is aware that the pattern of wage settlements

in industry generally across Canada in the year 1970 ran between approximately 7% to 9%.

The Board is also aware that both railways have reached a tentative wage settlement with the Shopcraft employees under which the tradesmen will receive an 8% wage increase for the year 1971 and a 7% wage increase (compounded) for the year 1972, plus certain increases in the hourly skill differential.

Having in mind all of the foregoing information and statistics this Board recommends that the parties hereto should enter into a revised collective agreement covering a three-year period, namely, March 16th, 1970 to March 15th, 1973, which agreement should provide for increases in the rates of pay per basic day in freight, passenger and yard service, and the daily allowance for wayfreight service, and road switcher runs, as follows:

—Effective as of March 16th, 1970, an increase of 8% calculated on basic rates in effect March 15th, 1970:
—Effective as of March 16th, 1971, an increase of 7% calculated on basic rates in effect March 15th, 1971;and
—Effective as of March 16th, 1972, an increase of 7% calculated on basic rates in effect March 15th, 1972.

SIGNED this 10th day of March, 1971.

R.A. Gallagher.
Chairman

Report of R.V. Hicks

I have had an opportunity of reviewing the Report of the Chairman and, with respect, find myself obliged to dissent from his recommendations as they apply to the wage increases.

As pointed out in the Chairman's Report, the Brotherhood completely failed to substantiate its claim for wage increases in excess of the pattern of settlements of other major employee units, such as the Conductors and Trainmen, on the ground that the Engineers' increases had fallen behind those received by such employees. It, therefore, appears illogical to recommend increases which, in total, would have the effect of providing wage increases greater than those received by other major groups employed by the Railway.

There are, of course, many factors entering into wage determination, prominent among which with respect to the Engineers is the influence of the innumerable rules, or 'arbitraries', which provide substantial compensation in addition to the basic rates.

Within this context, coupled with the nature of the issues separating the parties, it would be my respectful recommendation that the new Agreement should be for a term of three years effective as of March 16th, 1970, and should provide for increases in the rates of pay per basic day in freight, passenger and yard service, and the daily allowance for wayfreight and road switcher runs as follows:

— Effective as of March 16th, 1970, an increase of 6 ½% calculated on basic rates in effect March 15th,1970:
— Effective as of March 16th, 1971, an increase of 7% calculated on basic rates in effect March 15th, 1971; and
— Effective as of March 16th, 1972, an increase of 7% calculated on basic rates in effect March 15th, 1972.

As to the remaining matters, in addition to the reasons advanced by the Chairman, during the proceedings of the Board it was apparent that these would be readily resolved upon settlement of the wage increases. Accordingly, I concur with the conclusion of the Chairman, that we would not be serving the interests of the parties in making specific recommendations in this area.

DATED at Toronto this 10th day of March, 1971.

R. V. Hicks,
Company Nominee

Report of Marc Lapointe

On the 18th of June 1970, the parties in a document signed by Mr. R. Colosimo, Chairman of the Company's Negotiating Committee and Mr. E.C. Machin, General Chairman, Atlantic and Eastern Regions and Mr. H. Tetlock, General Chairman, Prairie and Pacific Regions, both gentlemen from the Brotherhood, agreed that the matters in dispute were the following:

1. Duration of collective agreement;
2. Wage increase;
3. Increase in rates in yard and transfer service;
4. Increase in road switcher differential;
5. Revision in trainmaster rates;
6. Deletion of minimum rate in article I;
7. Increase in premium for wayfreight service;
8. New rule in case of absence of fireman-helper;
9. Revise Article 1 to provide payment for all units in the engine consist;
10. Revise Article 10 to provide payment of held-away-from-home time after 10 hours;
11. Rest houses facilities provision;
12. Revision in vacations provisions;
13. Revision in General Holiday provision;
14. Rest after 10 hours instead of 12;
15. New rule for purchase of medical coverage;
16. New rule re actual earnings lost;
17. Revision of article 4, Prairie and Pacific regions, re overtume payment;
18. New rule, Prairie and Pacific regions, re preparation of unit en route:
19. New rule, Prairie and Pacific regions, re turn-around points;
20. New rule, Prairie and Pacific regions, re establishing of designated, turn-around points;
21. Revision of article 2(c) (3), Eastern and Atlantic regions, re guarantee of 4500 miles on Commuter Service in Montreal.

There was an additional point: revision of article 27 which was settled on November 9, 1970 as reported to us by both parties in open hearing.

The Company made a demand which also remains in dispute and concerning a revision of the rules governing Deadheading in the Eastern and Atlantic regions as well as in the Prairie and Pacific regions.

As is related in the report signed by Mr. Roy A. Gallagher, Q.C., there were numerous documents and exhibits deposited by both parties during the hearings together with extensive briefs.

Once the evidence was in, the Conciliation Board members, attempted to discharge their duties in endeavouring to bring an amicable settlement between the parties.

The undersigned wishes to stress that from the outset he was impressed by the magnitude of the dispute which involves both monetary problems and changes in the Rules or normative clauses of the agreement.

In conversations with the representatives of the Brotherhood, it was established very clearly that the demands other than duration and wage increases were just as important to the membership as the money items. Therefore, the dispute had to find solutions in all its aspects.

It became very apparent that one of the major stumbling blocks is the past year. In simple terms, the Brotherhood claims that it has suffered in the recent years a degradation in the wage comparative situation, as compared to settlements arrived at by the Company with other groups of its employees.

The undersigned is confident that no settlement will occur unless this vital issue is resolved. During the Conciliation process, the members of the Board attacked this problem squarely but failed to bridge the gap separating the parties, the offer of wage increase by the Company to the Brotherhood as regards the first year (almost over by now) of the eventual agreement, falling quite short of the contention of the Brotherhood for a 'catch-up' increase.

The Board of Conciliation having eventually concluded that it would be impossible to bring an amicable settlement and having resolved to write a report, the undersigned, Brotherhood nominee on the Board, wishes to deal with this first item since he disagrees, wholeheartedly with his colleagues both in fact and in principle on this one issue.

The majority report rejects as being unsound the concept that you may claim, at the expiration of a collective agreement, a larger settlement in order to catch up on either previous settlements, other settlements in other enterprises in the same industry or on runaway increases in cost of living or standards of living or productivity.

The Brotherhood nominee, on the contrary, takes the position that this concept is perfectly sound, logical and as a matter of fact, essential in labor relations. Let us assume that in a particular industry, a company could dominate a weak union for say 10 or 15 years and impose on it a succession of settlements and agreements lower than those obtained by the workers of competing companies. Who is going to claim that if another union succeeds in gaining bargaining rights in that one company, it could not on the basis of logic, equity and sound economic principles, negotiate an adjustment to bring these workers in line by a catch up settlement? The illustration used by the undersigned is extreme but serves well to illustrate the fallacy of a contrary opinion as expressed in the Company brief and supported by the majority of this Board. The Company even went to the extent of quoting some previous conciliation boards pronouncements supporting their view. It failed however to refer to a number of other such reports which emphatically reject it.

As a matter of fact, in a very recent conciliation board report in a dispute of magnitude involving C.B.C. and ARTEC written in February 1969, a year before the expiry of the collective agreement in dispute in this case, Professor H.W. Arthurs, the C.B.C. nominee and the undersigned wrote:

> 'Throughout the negotiations, representatives of the Corporation were adamant in their insistence that the Corporation could not and would not break the so-called 'guidelines' established for employees in the public service and as a yardstick for private sector negotiations.... First, we note that even the 'guidelines' do contemplate particular cases in which it is necessary to adjust inequities which may have developed prior to their introduction. Considerable evidence was introduced by the union which indicated that over the past few years the position of ARTEC had deteriorated vis-à-vis that of the other C.B.C. unions, employees in the federal public service and employees in the private sector.... Thus, a case has been made for (at least) the amount indicated by the guidelines plus an additional 'catch up' adjustment....'

It must be remembered that at the time there were supposed to be established certain 'guidelines' in wage increases for public servants. Also, that recommendation was unanimous in accepting the 'catch up' concept.

The undersigned therefore rejects the majority report concerning the refusal to look into the demand of the Brotherhood for a catch up formula for the first year of the agreement. Further, the Brotherhood nominee after looking into the evidence adduced mainly by the Brotherhood is convinced that an inequity has been created in the past few years vis-à-vis this Brotherhood and therefore the money settlement to intervene, since the previous contract expired almost a year ago and the new one will have to be for at least two years, must be front loaded considerably to 'catch up'.

The Union nominee must now turn to another aspect of the majority award with which he must respectfully disagree. One may read in that report that the majority members declare themselves aware that wage settlements in industry generally across Canada in the year 1970 ran between approximately 7% to 9%. It also states that it is aware that both railways have reached a tentative wage settlement with the shopcraft employees under which the tradesmen will receive an 8% wage increase for the year 1971 and a 7% wage increase (compounded) for the year 1972, *plus certain increase in the hourly skill differential.* Then the majority promptly turns around and recommends 7% in this case, for year 1971 and 7% for year 1972 of a three year agreement.

One is quick to seize upon the blatant inconsistency of recognizing that already 8% is on the table for 1971 and suggesting 7% for this Brotherhood. What makes matters worse is that the undersigned took time to verify what the 'increases in the hourly skill differential' represents in the case of the shopcrafts. It amounts to close to 1%. Therefore, the recommendations of my two colleagues on the Board would ignore 'catch up' in 1970 and go below by 2% in 1971 and below by 1% in 1972 what seems to have been already agreed upon by this Company. The Brotherhood nominee cannot adhere to these recommendations at all and suggests that not only are they not capable of facilitating a settlement but on the contrary are liable to precipitate a major collision between the parties. He therefore rejects them. Further, the most recent statistics indicate that in the private sector, despite recommended 'guidelines' the wage settlement for year 1970 ran close to 10% and not from 7% to 9%.

The Brotherhood nominee would recommend that

> — Effective as of March 16, 1970, an increase of 13% for all engineers in passenger, yard and wayfreight services and road switcher runs be paid by the Company.
>
> — Effective as of March 16, 1971, an increase of 9% calculated on the same basis, be paid by the Company.

The first increase to take care of both the general increase in Canada and a partial 'catch up' and the second, to respect the settlements already offered by this Company to other groups of its employees. This nominee does not make any recommendation on the eventual length of the agreement but suggests that the wage settlement for year 1970 and 1971 as recommended above would go a great way towards bringing a settlement which would be equitable and would restore in the

minds of engineers the faith that they are not being disregarded by the Company as important elements in the efficient running of their railway system.

In view of the other issues between the parties the undersigned hastens to add that it is of the greatest importance for the future collective bargaining relationships between these two parties that they both accept the responsibility of determining the area of an honorable compromise between their respective positions. To hide behind a rigid 'guidelines' posture without appreciating the equities and dynamics of this specific situation or to hope to obtain unwarranted increases is to forget the somber and stark reality of this process called collective bargaining. Time has arrived for both parties to face up to reality, to bargain in earnest and with the implacable pressure of possible economic disruption in case of failure.

I would now like to turn to the other demands emanating from the parties and which have remained unresolved. Paraphrasing the majority report, it is true that they present a formidable array of difficulties, especially since traditional semantics in the terminology of railroad collective agreements create additional problems for laymen. It must also be admitted that the work accomplished by engineers is done so in circumstances and in special conditions which make it extremely difficult to compare with any other industry.

The first reaction of this nominee was to declare that the first duty of a Conciliation Board is to endeavour to bring a settlement. If it fails, it becomes extremely difficult, once the positions of the parties have been given in confidence to each of the nominees respectively, if not impossible, to sit down and write suggestions while trying to erase from one's mind the confidential information gathered, in the hope of bringing a settlement. Therefore, one should not write a report under these conditions. However, in similar circumstances a few years ago, the undersigned was told in an International Association of Machinists vs. Quebec North Shore and Labrador R.R. case by the highest authorities from the Department of Labour, that once a mandate is given by the Department, a report must be written. The nominee of the Brotherhood was therefore quite surprised to find out that his two colleagues took the position of refraining to write a report on all other outstanding items for reasons alleged in said report. I thought it was impossible to take such a stand and shall curiously await the reaction of the Department.

In the meantime, and in an attempt to furnish the parties with further chances to arrive at a settlement short of economic confrontation, I did make it my duty to carefully investigate with the representatives of the Brotherhood, the apparent relative importance which they attach to the unresolved demands. I have been told repeatedly together with the chairman that all the demands are important, otherwise they would not appear in the agenda of unsettled business.

At the risk of making mistakes but with the sincere hope of making a positive contribution to an amicable settlement, here is an attempt to list the demands in their relative order of importance:

1. Proposal no. 12: annual vacation.
2. Proposal no. 13: general holidays.
3. Proposal no. 16: medical coverage.
4. Proposal no. 14: rest on road service after 10 hours.
5. Proposal no. 10: held-away-from-home time.
6. Proposal no. 5: trainmaster rates for units of 3000 H.P. and over.
7. Proposal no. 7: premium for wayfreight service.
8. Proposal no. 18: (Western) time and one half in yard service.
9. Proposal no. 6: deletion of minimum rate.
10. Proposal no. 17: cancellation of assignments.
11. Proposal no. 11: rest home facilities.
12. Proposal no. 20 & 21: turn-around points.
13. Proposal no. 22: (Eastern) Montreal Commuter service.
14. Proposal no. 9: payment based on all units.
15. Proposal no. 19: (Western) preparing units.
16. Proposal no. 4: equalization to yard rates.
17. Proposal no. 8: premium for working without a fireman.

Marc Lapointe
March 9, 1971.

Correction to above report of Marc Lapointe

In verifying the report which I forwarded on March 9, 1971, I have noted an error which I would now like to correct.

My recommendation for the wage increase for year 1970 should read:

– Effective as of March 16, 1970, an increase of 13% for all engineers in passenger, freight, yard and wayfreight services and road switcher runs be paid by the Company
– Effective as of March 16, 1971, an increase of 9% to be added (compounded) be paid by the Company to all engineers in passenger, freight, yard and wayfreight services and road switcher runs.

Marc Lapointe
March 19, 1971.

Report of Board of Conciliation and Investigation established to deal with dispute between Canadian National Railways (Atlantic, St. Lawrence and Great Lakes, Prairie and Mountain Regions) and Brotherhood of Locomotive Engineers

The Board was under the chairmanship of Roy A. Gallagher, Q.C., of Winnipeg, appointed by the Minister of Labour in the absence of a joint recommendation from the other members of the Board, A. William Cox, Q.C., of Halifax, and Marc Lapointe, Q.C., of Montreal, who were previously appointed on the nomination of the company and union, respectively. The report was received by the Minister in March.

While the Board was finally constituted on September 30th, 1970, it was found to be impossible to arrange for hearings with the parties until the early part of November 1970. This was due entirely to the busy schedules of the members of the Board. After the initial meetings in November, efforts were made to arrange further hearings with the parties for the early part of December, but unfortunately it was found impossible once again to do so. Further hearings were eventually arranged for the early part of February 1971, and subsequently, the members of the Board met in private sessions on February 19th and 20th, 1971,

Unfortunately, shortly after the first hearing of the Board in November 1970, W.J. Wright, Assistant Grand Chief Engineer, and Chairman of the Brotherhood's Committee on both the C.P.R. matter and the C.N.R. dispute, passed away. His loss was felt greatly by the Brotherhood and by this Board.

Mr. Hemmingson became Chairman of the Committee and chief spokesman for the Brotherhood at all subsequent hearings with the Board. Mr. Hemmingson's place as General Chairman, Western Lines C.N.R., was filled by Mr. Murray who attended all subsequent hearings with the Board.

The last collective agreement between the parties was for a three-year period commencing on May 1st, 1967, and terminating on April 30th, 1970.

Notice was given for revision of this agreement by the Brotherhood to the Company on March 2nd, 1970, and the Company gave notice to the Brotherhood of its desired revisions on April 13th, 1970.

Meetings of representatives of the parties were held in the month of March 1970, but little progress was made. In the months of April and May 1970, further meetings were held between representatives of the parties in the presence of an Industry Specialist of the Department of Labour, but once again little progress was made in achieving an overall settlement of the issues between them.

Negotiations between the parties finally failed on May 28th, 1970, and the Brotherhood requested the Minister of Labour to appoint a conciliation board. As a result this Board was appointed.

However, in the month of September 1970, the parties held meetings and entered into a Memorandum of Understanding setting forth those issues which had been resolved by the parties, whether they emanated from the Brotherhood or the Company, and further setting forth some 21 Brotherhood requests and 4 Company requests which were unresolved, and were to be in issue before this Board.

All other proposals, whether of the Brotherhood or of the Company, were withdrawn. Further, at one of the early hearings before this Board, the parties agreed that one further item, namely, the Weekly Indemnity provision, had been resolved. Thus, this Board was left with 24 requests for revisions to the last collective agreement.

While the Board held a good number of hearings with the parties, and received extensive argument from them on all of the foregoing requests, it was not long before the Board came to the realization that the issues being dealt with by the parties were of an extremely difficult and technical nature, requiring for their proper solution an understanding and appreciation of all of the many facets of railroading, and an expertise in these facets, not possessed by the individual members of the Board.

In saying this the members of the Board are not endeavouring in any way to escape their responsibilities, nor to ignore the heavy burden and onus upon them to endeavour to bring about the resolution of these issues in an area of life so vital to the welfare and economy of this country.

But there is a very great danger, which the members of the Board can see, in having persons with little or no knowledge or expertise make recommendations to the parties which may cause great confusion and difficulty, and not really serve the best interests of either of the parties.

As will be seen from what follows, the customs, practices and work rules under which the parties carry out their working lives are of the utmost complexity. The requests, which are the subject of the dispute between the parties, touch upon some of the most fundamental and far-reaching working conditions. To be able to deal with these requests meaningfully would require a knowledge and understanding of railroading which could only be gained by intensive study and practical experience, all of which would require a great number of hearings by this Board possibly extending over a period of months.

Under these circumstances, this Board is of the opinion that it would best serve the interests of the parties if it confined its recommendations to two of the basic issues between them.

The two issues referred to are 1) Term of agreement, and 2) Wage increase. In essence the two matters are interrelated and the Board intends to deal with them as one item, making its recommendations at the end of our general remarks.

One of the basic issues between the parties on the issue of wages is simply that the Brotherhood says that, in determining the wage increase to be granted, the Board should have regard to the locomotive engineer's 'basic hourly rate' or 'basic daily rate' while the Company takes the position that the Board should have regard to 'average hourly earnings' or 'average monthly earnings' or 'average yearly earnings'.

While it might be said that the manner in which a locomotive engineer is paid is in itself a very complicated matter, it is also true to say that with a little study a layman can understand and appreciate it, and it certainly is not as complicated as some of the other issues which were placed before this board.

Employees in this area really fall into two distinct categories or classifications. There are the yard service employees who, in laymen's language, work basically in railroad yards in an eight-hour, five day week. They are paid in the basis of an 8-hour day, with overtime for any time worked in excess of 8 hours. This is simple and straightforward.

However, we now come to the road service employees, who might be described (again in laymen's language) as the persons who operate trains, be they freight or passenger, over a considerable number of miles from one locale to another.

There has evolved in relation to these road service employees what is called the 'dual basis of pay' which takes into account the time on duty or the miles run.

Under the dual basis of pay concept, there is a rate for a basic day, but as will be seen later this rate cannot be looked at as the absolute figure which an engineer in road service will earn.

The 'dual basis of pay' concept provides for payment of wages based either on time on duty or miles travelled, with the employee to receive the highest figure to which he may be entitled whether it be based on one or the other of the above factors.

In road freight service, for example, a basic day is looked upon as 8 hours or 100 miles travelled. Thus it can be seen that the speed of the train is presumed to be 12 ½ miles per hour in freight service. This simply means that if the ideal situation existed of a freight run of 100 miles, and if the freight train in question completed that run in exactly 8 hours, the engineer would receive the 'basic day's' pay.

However, the problem becomes a little more complex if one changes the miles run or the hours on duty. For example, if the run were 150 miles and it was completed in 5 hours, the exployee would be penalized if he was paid on the basis of hours on duty, and, alternatively, would receive in excess of the 'basic day' if he were paid on the basis of miles run. In such circumstances, the employee would be paid on the latter basis or, in other words, at the highest figure. Now take the example of the same 150 mile run and a time on duty of 13 hours. If the engineer was paid on the basis of 150 miles, he would again be penalized, since 13 hours at 12 ½ miles per hour entitles him to payment on the basis of 162 ½ miles using the conversion of the basic day rate to miles. Thus, he would be paid in this instance on the basis of time on duty.

But the matter does not end there. In addition to running 150 miles and spending 5 or 13 hours on duty, as in the above illustrations there are payments made for 'preparatory' time, payments for 'initial terminal detention' time, payments for 'time held on duty yarding trains', payments for 'time delivering engines to shops', 'final inspection service', and so on.

In passenger road service, the same dual basis of pay prevails, with the difference that in this area the basic day is looked upon as 5 hours or less, 100 miles or less, thus relating to a speed of the train of 20 miles per hour.

In addition to the foregoing, rates of pay vary depending on the 'weight on drivers' of diesel units in the locomotive consist — the greater the weight of the driving wheels of the units the greater the basic rate, and thus the greater pay. As well, the monthly income of an engineer is regulated not by days worked, but by miles travelled. A freight engineer can make up to 3800 miles per month, and a passenger engineer up to 4800 miles, after which they are 'off for miles' for the balance of that month.

The Brotherhood, as noted above, based its wage submission on an argument relating to the 'basic day' while the Company took the position that it would be meaningless for this Board to arrive at a recommendation for a wage increase based on the 'basic day' rate when this has really only a small bearing in fact on what the locomotive engineer earns over the period of any given year.

In this Board's opinion the position taken by the company is the correct and logical one in relation to wage determination so far as the locomotive engineers are concerned. In this Board's view, it would be senseless — even ludicrous — for this Board to adopt as a criterion the 'basic rate' which really has only little reference to the take-home pay of an engineer in any given period of time. In this Board's opinion the proper benchmark for purposes of gauging a wage increase is what that employee, or the group of employees, actually receives as a wage during a given period of time.

On the issue of what would be the proper and appropriate wage increase the Brotherhood advanced an arguement based on the suggestion of 'catching-up' with the wage increases received by railway conductors and yard foremen, and a further argument relating to the last locomotive engineer's agreement and the last agreement relating to railway trainmen and conductors.

The last collective agreement of the locomotive engineers as referred to above, was for a period of 3 years from May 1st, 1967, to April 30th, 1970. This agreement provided for an equivalent of a 24% across the board increase over this 3-year period. Earlier in point of time the railway trainmen and conductors had negotiated an agreement for the years 1966, 1967 and 1968, with a similar 24% across the board increase, and, in addition, from December 1968, the same railway trainmen and conductors had been granted a two-stage increase of 13.4% covering the two-year period ending December 31st, 1970 — that is, 6.5% as of January 1st,1969, and 6.5% compounded as of January 1st, 1970.

The Brotherhood submitted that they had fallen behind the conductors and trainmen in that the respective increases of 24% (although for different years) in fact balanced each other out, and that now the locomotive engineers had fallen behind 13.4% in relation to conductor and trainmen's wages. The Brotherhood therefore requested, in effect, a 13.4% wage increase for the first year of the new agreement, i.e., from May 1st, 1970 to April 30th, 1971.

There are a number of fallacies in this line of reasoning. The board does not intend to deal with all of them. It is sufficient to say that the end result of such reasoning is simply that collective bargaining as it is understood in Canada would become meaningless; contracts entered into today would be of little value, and with no binding effect, since both parties to the bargaining would be aware that subsequent events and decisions might have the result of destroying the effectiveness of any such bargaining in good faith. In addition, if such reasoning were adopted, and while it may be advantageous to the Brotherhood to do so at this particular time, it could work to the Brotherhood's disadvantage at subsequent stages in time depending on the bargaining effectiveness, and the decisions made, by the other union(s).

To adopt such line of reasoning, in this Board's view, would be a disservice to both the Brotherhood and the Company.

This is not to say that the wage settlement made by the trainmen and conductors as above set forth, and indeed other wage settlements on the railroads and throughout industry generally in Canada are not relevant to this Board's consideration. Obviously such settlements are a pertinent consideration, but not the only consideration, in the process of wage determination.

This Board is aware that the pattern of wage settlements in industry generally across Canada in the year 1970 ran between approximately 7% to 9%.

The Board is also aware that both railways have reached a tentative wage settlement with the Shopcraft employees under which the tradesmen will receive an 8% wage increase for the year 1971 and a 7% wage increase (compounded) for the year 1972, plus certain increases in the hourly skill differential.

Having in mind all of the foregoing information and

statistics this Board recommends that the parties hereto should enter into a revised collective agreement covering a three-year period, namely, May 1st, 1970 to April 30th 1973, which agreement should provide for increases in the rates of pay per basic day in freight, passenger and yard service, and the daily allowance for wayfreight service, and road switcher runs, as follows:

—Effective as of May 1st, 1970, an increase of 8% calculated in basic rates in effect April 30th, 1970;
—Effective as of May 1st, 1971, an increase of 7% calculated on basic rates in effect April 30th, 1971; and
—Effective as of May 1st, 1972, an increase of 7% calculated on basic rates in effect April 30th, 1972.

Signed this 10th day of March, A.D. 1971.

R.A. Gallagher,
Chairman

Report of A. William Cox

I was pleased to have the benefit of reading the draft report of the Chairman on the matters referred to this Board. I cannot however, with respect, agree with his recommendations as they apply to the amount of the annual wage increases proposed.

The Chairman came to the conclusion that the interests of both parties would be served best if his recommendations were confined to the two basic issues in dispute, namely, the term of the agreement and the wage increases.

I agree with this conclusion and with the reasons so ably set forth by the Chairman. Following the hearings before the Board I have come to the conclusion that the issues remaining between the parties and which were referred to the Board by them can in all probability be readily resolved if these two basic issues are settled. From the briefs and material submitted to the Board it is evident that the engineers have in the past followed the pattern of wage settlement set by other major groups of railway employees such as conductors and trainmen. The pattern of wage increase for the railway industry in 1970 is clearly established at 6 ½%.

The Brotherhood of Locomotive Engineers however is requesting a wage increase greatly in excess of this pattern of settlement. The ground used to support this is that the increases received by the members of the Brotherhood have fallen behind 13.4% in relation to the wages of conductors and trainmen.

The Chairman declined to accept this line of reasoning and I join with him in rejecting it.

As far as I am aware only one tentative settlement has as yet been reached in the major Canadian Railways governing the years 1971 and 1972. I understand that this tentative settlement was negotiated in the latter part of 1970. Since that time there has been observed a tendency toward a reducing pressure in wage increases and in my view this, coupled with the probable economic climate over the next twelve months, can only provide a basis for further wage increases not in excess of 7% for each of the years 1971 and 1972. Certainly such factors do not provide a higher level of increase than that which will probably accrue to other railway employees as a whole.

In considering the proposed level of wage increase to be granted to engineers, I have taken into account the salient fact that the basic rate has a limited influence on the actual take home pay of an engineer. It is only one of many factors which must be applied to any particular case. The Chairman has emphasized these factors that increase substantially the engineer's level of earnings above his basic rate. With his findings on these points I concur.

In view of the above and for the reasons set out in my report, I respectfully recommend the following increases in the rates of pay, per day pay in freight, passenger and yard service, and the daily allowance for wayfreight and road switcher runs:

effective May 1, 1970 an increase of 6 ½% calculated on basic rates in effect April 30, 1970

effective May 1, 1971 an increase of 7% calculated on basic rates in effect April 30, 1971

effective May 1, 1972 an increase of 7% calculated on basic rates in effect April 30,1972

Dated at Halifax, Nova Scotia, this 10th day of March 1971

A. William Cox,
Member

Report of Marc Lapointe

On the 2nd of March 1970, the parties in a document signed by their respective representatives agreed that the matters in dispute were the following:

1. Duration of collective agreement;
2. Wage increase;
3. Increase in rates in yard and transfer service;
4. Increase in road switcher differential;
5. Revision in wayfreight differential;
6. New rule for engineers working without a fireman/helper;
7. Weight on drivers rule change;
8. Revised benefit plan;
9. New rule re medical coverage;
10. Revision in holiday provisions;
11. Revision in vacation provisions;
12. Revise articles 68 and 40.1;
13. Revise article 78 (East) and 6.57 (West) re held-away-from-home time;
14. New rule re actual earnings lost;
15. Revise article 24 (East) and new rule (West);
16. Problem of engineers assigned to commuter service in Mount-Royal tunnel;
17. New rule for preference to engineer in certain circumstances;
18. Revision of minimum mileage provisions;
19. Revision of monthly guarantee miles;
20. Revise articles 28.2 (East) and 4.1 (West) re additional units in consist;
21. Revise article 5.2 (West) re overtime provisions.

The Company made a demand which also remains in dispute and concerning a revision of the rules governing Deadheading in the Eastern and Atlantic regions as well as in the Prairie and Pacific regions.

As is related in the report signed by Mr. Roy A. Gallagher, Q.C., there were numerous documents and exhibits deposited by both parties during the hearings together with extensive briefs.

Once the evidence was in, the Conciliation Board members attempted to discharge their duties in endeavouring to bring an amicable settlement between the parties.

The undersigned wishes to stress that from the outset, he

was impressed by the magnitude of the dispute which involves both monetary problems and changes in the Rules or normative clauses of the agreement.

In conversation with the representatives of the Brotherhood, it was established very clearly that the demands other than duration and wage increases were just as important to the membership as the money items. Therefore, the dispute had to find solutions in all its aspects.

It became very apparent that one of the major stumbling blocks is the past year. In simple terms, the Brotherhood claims that it has suffered in the recent years a degradation in the wage comparative situation, as compared to settlements arrived at by the Company with other groups of its employees.

The undersigned is confident that no settlement will occur unless this vital issue is resolved. During the Conciliation process, the members of the Board attacked this problem squarely but failed to bridge the gap separating the parties, the offer of wage increase by the Company to the Brotherhood as regards the first year (almost over by now) of the eventual agreement, falling quite short of the contention of the Brotherhood for a 'catch-up' increase.

The Board of Conciliation having eventually concluded that it would be impossible to bring an amicable settlement and having resolved to write a report, the undersigned, Brotherhood nominee on the Board, wishes to deal with this first item since he disagrees, wholeheartedly with his colleagues both in fact and in principle, on this one issue.

The majority report rejects as being unsound the concept that you may claim, at the expiration of a collective agreement, a larger settlement in order to catch up on either previous settlements, other settlements in other enterprises in the same industry or on runaway increases in cost of living or standards of living or productivity.

The Brotherhood nominee, on the contrary, takes the position that this concept is perfectly sound, logical and as a matter of fact, essential in labour relations. Let us assume that in a particular industry, a company could dominate a weak union for say 10 or 15 years and impose on it a succession of settlements and agreements lower than those obtained by the workers of competing companies. Who is going to claim that if another union succeeds in gaining bargaining rights in that one company, it could not on the basis of logic, equity and sound economic principles, negotiate an adjustment to bring these workers in line by a catch up settlement? The illustration used by the undersigned is extreme but serves well to illustrate the fallacy of a contrary opinion as expressed in the Company brief and supported by the majority of this Board. The Company even went to the extent of quoting some previous conciliation boards pronouncements supporting their view. It failed however to refer to a number of other such reports which emphatically reject it.

As a matter of fact, in a very recent conciliation board report in a dispute of magnitude involving C.B.C. and ARTEC written in February 1969, a year before the expiry of the collective agreement in dispute in this case, Professor H.W. Arthurs, the C.B.C. nominee and the undersigned wrote

> 'Throughout the negotiations, representatives of the Corporation were adamant in their insistence that the Corporation could not and would not break the so-called 'guidelines' established for employees in the public service and as a yardstick for private sector negotiations... First, we note that even the 'guidelines' do contemplate particular cases in which it is necessary to adjust inequities which may have developed prior to their introduction. Considerable evidence was introduced by the union which indicated that over the past few years the position of ARTEC had deteriorated vis-à-vis that of other C.B.C. unions, employees in the federal public service and employees in the private sector... Thus, a case has been made for (at least) the amount indicated by the guidelines plus an additional 'catch up' adjustment....'

It must be remembered that at the time there were supposed to be established certain 'guidelines' in wage increases for public servants. Also, that recommendation was unanimous in accepting the 'catch up' concept.

The undersigned therefore rejects the majority report concerning the refusal to look into the demand of the Brotherhood for a catch up formula for the first year of the agreement. Further, the Brotherhood nominee after looking into the evidence adduced mainly by the Brotherhood is convinced that an inequity has been created in the past few years vis-à-vis this Brotherhood and therefore the money settlement to intervene, since the previous contract expired almost a year ago and the new one will have to be for at least two years, must be front loaded considerably to 'catch up'.

The Union nominee must now turn to another aspect of the majority award with which he must respectfully disagree. One may read in that report that the majority members declare themselves aware that wage settlements in industry generally across Canada in the year 1970 ran between approximately 7% to 9%. It also states that it is aware that both railways have reached a tentative wage settlement with the shopcraft employees under which the tradesmen will receive an 8% wage increase for the year 1971 and a 7% wage increase (compounded) for the year 1971, *plus certain increase in the hourly skill differential.* Then the majority promptly turns around and recommends 7% in this case, for year 1971 and 7% for year 1972 of a three-year agreement.

One is quick to seize upon the blatant inconsistency of recognizing that already 8% is on the table for 1971 and suggesting 7% for this Brotherhood. What makes matters worse is that the undersigned took time to verify what the 'increases in the hourly skill differential' represents in the case of the shopcrafts. It amounts to close to 1%. Therefore, the recommendations of my two colleagues on the Board would ignore 'catch up' in 1970 and go below by 1% in 1972 what seems to have been already agreed upon by this Company. The Brotherhood nominee cannot adhere to these recommendations at all and suggests that not only are they not capable of facilitating a settlement but on the contrary are liable to precipitate a major collision between the parties. He therefore rejects them. Further, the most recent statistics indicate that in the private sector, despite recommended 'guidelines', the wage settlement for year 1970 ran close to 10% and not from 7% to 9%.

> The Brotherhood nominee would recommend that
> — Effective as of March 16, 1970, an increase of 13% for all engineers in passenger, yard and wayfreight services and road switcher runs be paid by the Company
> — Effective as of March 16, 1971, an increase of 9% calculated on the same basis be paid by the Company.

The first increase to take care of both the general increase in Canada and a partial 'catch up' and the second, to respect the settlements already offered by this Company to other groups of its employees. This nominee does not make any recommendation on the eventual length of the agreement but suggests that the wage settlement for year 1970 and 1971 as recommended above would go a great way towards bringing a settlement which would be equitable and would restore in the

minds of engineers the faith that they are not being disregarded by the Company as important elements in the efficient running of their railway system.

In view of the other issues between the parties the undersigned hastens to add that it is of the greatest importance for the future collective bargaining relationships between these two parties that they both accept the responsibility of determining the area of an honorable compromise between their respective positions. To hide behind a rigid 'guidelines' posture without appreciating the equities and dynamics of this specific situation or to hope to obtain unwarranted increases is to forget the somber and stark reality of this process called collective bargaining. Time has arrived for both parties to face up to reality, to bargain in earnest and with the implacable pressure of possible economic disruption in case of failure.

I would now like to turn to the other demands emanating from the parties and which have remained unresolved. Paraphrasing the majority report, it is true that they present a formidable array of difficulties, especially since traditional semantics in the terminology of railroad collective agreements create additional problems for laymen. It must also be admitted that the work accomplished by engineers is done so in circumstances and in special conditions which make it extremely difficult to compare with any other industry.

The first reaction of this nominee was to declare that the first duty of a Conciliation Board is to endeavour to bring a settlement. If it fails, it becomes extremely difficult, once the positions of the parties have been given in confidence to each of the nominees respectively, if not impossible, to sit down and write suggestions while trying to erase from one's mind the confidential information gathered, in the hope of bringing a settlement. Therefore, one should not write a report under these conditions. However, in similar circumstances a few years ago, the undersigned was told in an International Association of Machinists vs. Quebec North Shore and Labrador R.R. case by the highest authorities from the Department of Labour, that once a mandate is given by the Department, a report must be written. The nominee of the Brotherhood was therefore quite suprised to find out that his two colleagues took the position of refraining to write a report on all other outstanding items for reasons alleged in said report. I thought it was impossible to take such a stand and shall curiously await the reaction of the Department.

In the meantime, and in an attempt to furnish the parties with further chances to arrive at a settlement short of economic confrontation, I did make it my duty to carefully investigate with the representatives of the Brotherhood, the apparent relative importance which they attach to the unresolved demands. I have been told repeatedly together with the chairman that all the demands are important, otherwise they would not appear in the agenda of unsettled business.

At the risk of making mistakes but with the sincere hope of making a positive contribution to an amicable settlement, here is an attempt to list the demands in their relative order of importance:

1. Proposal 11: vacations.
2. Proposal 10: general holidays.
3. Proposal 9: medical coverage.
4. Proposal 15: rest on road.
5. Proposal 13: held away.
6. Proposal 5: way freight differential.
7. Proposal 4: road switcher.
8. Proposal 14: cancellation of assignments.
9. Proposal 12: release rule.
10. Proposal 21: overtime (West) work train.
11. Proposal 7: weight on drivers.
12. Proposal 18: mileage regulations.
13. Proposal 20: yard locomotive consist.
14. Proposal 19: increased mileage guarantee.
15. Proposal 17: crew consist.
16. Proposal 6: solo pay.

Marc Lapointe
March 9, 1971.

Correction to above report of Marc Lapointe

In verifying the report which I forwarded on March 9, 1971, I have noted two (2) errors which I would now like to correct.

On page 6, my recommendation for the wage increase for year 1970 should read:

— Effective as of May 1st, 1970, an increase of 13% for all engineers in passenger, freight, yard and wayfreight services and road switcher runs be paid by the Company

— Effective as of May 1st, 1971, an increase of 9% to be added (compounded) be paid by the Company to all engineers in passenger, freight, yard and wayfreight services and road switcher runs.

Marc Lapointe
March 19, 1971.

Report of Board of Conciliation and Investigation established to deal with dispute between Québec North Shore and Labrador Railway Company and the United Transportation Union

The Board was under the chairmanship of Professor Jacques St-Laurent of Laval University, appointed by the Minister of Labour in the absence of a joint recommendation from the other members of the Board, Pierre Sebastien of Montreal, and F. M. Sheahan of St. Lambert, who were previously appointed on the nomination of the company and union, respectively. The report was received by the Minister in February.

Report of Jacques St-Laurent

Enclosed you will please find the recommendations of the Board appointed to deal with the above-mentioned case as well as a schedule containing certain explanatory notes.

If necessary, the representatives of the management and union parties will send you at once their dissident remarks, which deal mainly with the recommended wage schedules.

The representative of the management party wishes to point out that, if it were not for his objection to including the dispatchers in the bargaining unit, he would accept the wage rates recommended by the Board for the latter.

(Signed) Jacques St-Laurent
February 22, 1971.

Report of F. M. Sheahan

I understand you are now in receipt of the report of the Conciliation Board established by the Minister to deal with the matter referred to above.

Although I retain some doubt that the recommended wage rates represent an equitable wage structure in respect to the classes of employees concerned in the dispute before the Board, I believe the recommendations are a realistic compromise considering that the Board was dealing with a first collective agreement and the bargaining agent will have the opportunity in a year's time to correct inequities that may exist in the recommended wage scale.

The Board's report in its entirety, therefore, has my approval.

F. M. Sheahan,
Conciliation Board Member.
February 22, 1971.

Report of Pierre Sebastien

The purpose of this letter is to record my dissent as company nominee of the Conciliation Board established in the above matter with respect to certain recommendations of the report which you may now have received from the Chairman, Mr. Jacques St-Laurent.

In the first place, it is a majority recommendation of this Board that the category of employees known as Train Dispatchers be covered by the proposed collective agreement. On this subject, I have expressed the view and still feel that the train dispatchers should not be included in the collective agreement since all of them with the exception of one have unequivocally indicated that they did not want to be comprised in the bargaining unit and have in fact resigned from the Union. I am aware of the proceedings before the Canada Labour Relations Board through which the employees concerned applied to be excluded from the original Certification and of its results. However, it is my view that the duties of the Canada Labour Relations Board and those of a conciliation board are quite different. It is my understanding that the prime concern of any conciliation board should be to propose a collective agreement which will be just and equitable and also acceptable by the parties to the dispute. As it is quite obvious that neither the Company nor the Train Dispatchers concerned will accept a recommendation that they be covered by this agreement, I would have excluded them altogether.

As for the rates of pay recommended for the Crew Clerks category, I would have accepted the Company's offer in toto which I feel is more advantageous than the rates and progression schedule recommended by the Board.

The balance of the report has received my entire approval.

Pierre Sebastien
February 19, 1971.

Article I – Scope of the Agreement

1.01 *

This agreement between:

On the one part, the Quebec North Shore and Labrador Railway, hereinafter named the 'Railways'

and

On the other part the United Transportation Union, Lodge 1093, hereinafter named the 'Union' covers rates of pay, hours of work and rules of service for train dispatchers and crew clerks hereinafter referred to as employees recognized by the Canada Labour Relations Board certificate issued at Ottawa, dated September 8th, 1969.

Article II – Preamble

2.01 *

The right to negotiate contracts, rules and working conditions for employees shall be vested in the regularly constituted Committee of the United Transportation Union.

2,02 *

Employees whose service is covered by this Agreement or their representatives, will call the attention of their Superintendent to any violation of this Agreement and if necessary, the Union representative will refer such matters and any

question of interpretation which may arise to the higher officers.

2.03 *

The Railway agrees that, as a condition of employment, it will deduct form the earnings of each employee in the bargaining unit, in each month an amount of money equivalent to the monthly dues authorized by the Constitution of the Union. The Railway will remit the names and the amounts so deducted to the treasurer of Local Lodge No. 1093 by the 15th of the month following deduction.

Article III – Hours of Work

3.01**

The hours of work as set forth herein shall not be construed as a guarantee of work per day or per week.

3.02**

Eight (8) consecutive hours of service shall constitute a day's work.

3.03**

The normal work week shall be established by the Railway after consultation with the Local Union Committee. When necessary to change the hours of work the Railway will provide the employees and the local committee with forty eight (48) hours notice.

3.04**

The normal work week shall be five (5) days of eight (8) hours per day with two (2) consecutive rest days in each seven (7) days, except when necessary to meet railway's operational requirements.

3.05**

Except in cases of emergency, employees will have eight (8) hours rest in each 24 hours period.

3.06*

In assigning rest days, Saturday, Sunday and Monday will be used as far as is practicable.

3.07*

The normal hours of work of employees on relief assignments will be the same as those of employees being relieved.

3.08*

Shifts, in any classification indicated to start at midnight, will be assigned to start at 11:59 p.m.

Article IV – Overtime

4.01**

The first four (4) hours worked in excess of eight (8) hours in any day shall be paid at the rate of one and one half times the regular rate. Hours worked in excess of twelve (12) in any day shall be paid at the rate of twice the regular rate. Hours worked in excess of forty (40) straight time hours in any work week or on assigned rest days shall be paid at the rate of one and one half times the regular rate. Overtime rates do not apply for paid travel time. There shall be no overtime on overtime.

4.02*

Overtime shall be paid on the actual minute basis.

4.03*

Employees called out for emergencies to work outside their normal and regular hours shall be paid a minimum of four (4) hours at straight time rates or twice the straight time rates for actual hours worked on the call-out, whichever is the greater. Work required under the foregoing circumstances will be confined to work necessitated by the call-out. If however employees are informed before the end of their regular shifts to commence work before their next regular starting time, the time will be computed continuously with the regular day's work and the time worked before the regular starting time will be paid for at the applicable rate.

4.04*

Overtime hours will be worked on a voluntary basis provided the requirements of the service are met and it will be distributed as equitably as possible in rotation in each office and each position, where qualifications and location will permit. Overtime lists will be based on seniority and a list of overtime worked by all eligible employees will be posted. It is understood that an employee who refuses overtime will have such overtime charged against him.

4.05**

Work scheduled and performed on Sunday will be paid for at the rate of time and one half. Work performed on Sunday in excess of 8 hours, or in excess of 40 straight time hours in the work week will be paid for at double time.

Article V – Rates of Pay

5.01 Train Dispatchers***

1st year	$960. p.m.
2nd year	993. p.m.
3rd year	1,034. p.m.
after 3 years	1,085. p.m.

(Wage scale effective January 1st 1971).

5.02 Crew clerks***

1st year	$538. p.m.
2nd year	588. p.m.
3rd year	638. p.m.
after3 years	690. p.m.

(Wage scale effective March 1st 1970; 6% increase effective March 1st 1971).

Article VI – Premiums

6.01**

A shift premium of fifteen (15) cents per hour will be paid for hours worked on the night shift and ten (10) cents per hour for hours worked on the afternoon shift.

Article VII – Holidays

7.01*

For any of the holidays hereafter mentioned, the employee will receive a holiday pay equal to the regular day's pay of the job to which he is assigned provided that the employee is entitled to wages for fifteen (15) or more days during the thirty (30) calendar days immediately preceding the holiday.

New year's Day	Labour Day
Good Friday	Thanksgiving Day
St. Jean Baptiste Day	Christmas Day
Dominion Day	Vacation Day
Victoria Day	

Vacation day shall be taken with annual vacation.

7.02*

Should one or more of the holidays set out in paragraph 7.01 occur during the period of an employee's annual vacation, the employee shall be entitled to holiday pay for each such holiday but vacation time will not be extended.

7.03**

Notwithstanding paragraph 4.01 employees required to work on any of the above holidays shall be paid in addition to pay per 7.01 at the rate of time and one half their regular rate for the first 8 hours worked, at the rate of twice their regular rate for the following four (4) hours worked and at the rate of two (2) and one half time their regular rate for the hours worked thereafter.

7.04**

Employees who are instructed to work according to their regular schedule who fail to do so, shall not receive holiday pay. However, an employee may decline overtime and receive holiday pay to which he is entitled in accordance with art. 7.01, provided the terms of art. 4.04 are met.

7.05**

Employees who do not qualify for holiday pay in accordance with paragraph 7.01 above and are required to work on a specified holiday, shall be paid in accordance with paragraph 4.01.

7.06**

Work performed at any time from midnight to midnight on a holiday, shall be considered as performed on a holiday.

7.07*

When a holiday falls on an employee's assigned rest day, he shall receive holiday for that day.

Article VIII – Vacations

8.01*

Employees shall be allowed vacation with pay varying with the length of service and with the time worked each year, according to the following schedule:

Length of Service	Maximum Period Paid Vacation
After 1 year's service	2 weeks
After 2 years' service	3 weeks
After 3 years' service	1 month

8.02*

Employees must have one year's continuous service with the Railway to qualify for vacation with pay. Employees with less than one year's service upon termination will receive 4% of total earnings in lieu of paid vacation.

8.03*

For vacation purposes, the length of service is determined by the anniversary of the employee's most recent date of hire and shall include any time an employee is on lay-off by the Railway due to lack of work and during which period the employee retained and continued to accumulate seniority.

8.04*

Vacations shall be granted at any time consistent with the requirements of the service but subject to the Superintendent's approval to insure orderly operation. In granting vacations, those senior in service will be given preference. Vacation time may be granted in not more than two (2) separate periods.

8.05*

The maximum period of paid vacation shall be prorated with the months actually worked during the calendar year.

8.06*

Employees who are eligible for vacation pay will receive same at the time they are laid off or are proceeding on authorized vacation.

8.07*

Vacation may be taken in no more than two parts and neither part shall be less than one week. At an employee's request, approved medical leave of absence of one week or more may be applied to vacation earned.

8.08*

Employees on vacation shall receive pay equal to the regular pay they would have received had they been working.

Article IX – Seniority

9.01*

A new employee shall acquire seniority after the completion of a sixty (60) day continuous probationary period. During this period, the Railway has the exclusive right to terminate his employment; but excepting Article XII; the employee shall be considered as coming within the terms of this Agreement. Upon satisfactory completion of the probationary period, his name shall be placed on the seniority list as of his date of hiring.

9.02*

The total or partial exploitation by another employer other than by legal sale will not invalidate the Certificate or the Collective Agreement between the parties. The new employer will be bound as if it was named in the Certificate or Collective Agreement. The foregoing is dependent on and subject to all legal statutes which may apply.

9.03*

The seniority of employees will date from the time they last entered the Railway's service within the units covered by this Agreement, it being understood that employees temporarily out of employment on account of staff reduction will not forfeit their seniority provided they are available when required.

9.05*

Seniority lists showing the respective seniority of each employee in each classification will be prepared and furnished to the Local Chairman and posted at each point where employees are stationed on June 1st of each year subject to written protest or appeal to the Superintendent on or before July 31st and any seniority date not protested or appealed within that sixty (60) day period will be considered permanently established. Copy of lists will be kept at the Chief Dispatcher's office, available to those concerned and a copy will be mailed to the Union Office.

9.06*

An employee who accepts a position in another department of the Company will forfeit his seniority unless an understanding to the contrary is reached between himself, his Superintendent and the Local Union Committee.

9.07*

An employee hired in a higher position covered by this Agreement, will hold seniority in lower position.

9.08*

Employees now filling or promoted to official positions with the Railway and employees elected as representatives of the employees, will retain and continue to accumulate seniority, provided seniority rights are asserted with thirty (30) days after release from such employment.

9.09*

A Train Dispatcher demoted to Crew Clerk by action of the Railway will retain his Crew Clerk's seniority and be permitted to exercise it.

Article X – Assignment of Positions

10.01*

Permanent vacancies and new positions known or expected to be for sixty (60) days or more will be promptly bulletined on bulletin boards accessible to all concerned. Bulletins will describe shift, location and probable duration of vacancies. Application will be accepted in writing at the Superintendent's office for seven (7) days from date of bulletin. The assignment will be awarded to the senior employee in the position bulletined for on the closing date of the bulletin. If no applications are received, the Railway may assign the junior employee to the vacancy.

10.02*

A temporary vacancy known or expected to exist for eight (8) days or more, but less than sixty (60) days may be claimed by senior qualified employee who so desires provided he do so within forty-eight (48) hours after the assignment is vacant. If no employee fills the vacancy, the Railway may assign the junior reliefman.

10.04**

When additional positions are required, the opportunity to qualify will be bulletined as provided in paragraph 4.01 to all employees in the lower classifications. Applicants will be given the opportunity to learn the job based on:

(i) ability

(ii) physical fitness

(iii) seniority.

If (i) and (ii) are equal, then (iii) will govern. The successful applicant will be certified as qualified or will be disqualified within the first sixty (60) days from closing date of bulletin. If disqualified, he will be returned to his former position.

10.05*

Temporary vacancies anticipated to be for seven (7) days or less may be filled by relief men.

10.06*

Employees must work in the highest position in which they hold seniority while there is work available in that position unless an understanding to the contrary is reached between himself, the Superintendent and the Local Union Committee.

10.07*

An employee returning from authorized leave of absence including vacation will return to his former position if not abolished or may claim any vacancy bulletined during his absence, if his position is abolished he may exercise his seniority rights before returning to work.

10.08*

All assignments will be bulletined in the first week of March and again in November of each year. An employee who wishes to bid for a lower position will forfeit his seniority in the higher position.

10.09*

An employee assigned to a vacancy as provided in paragraph 10.01 will not be permitted to apply for his former position until it becomes vacant a second time except as provided for in paragraph 10.08.

10.10*

An employee applying for a vacancy bulletined under paragraph 10.01 may withdraw his application within five (5) days from and including date of vacancy bulletin and such withdrawal cannot be cancelled.

10.11*

Vacancy and assignment bulletins will be numbered consecutively beginning with the first of the year. A copy of each bulletin will be mailed to the Union Office and a copy will be furnished to the Local Chairman.

10.12*

If an abolished position is re-established, the vacancy will be bulletined and assigned as set forth in Article IV.

10.13*

An employee displaced or whose position is discontinued and not granted leave of absence must exercise his seniority within three (3) calendar days after losing his position, failing which he will be placed on the spare list.

Article XI – Layoffs and Recall

11.01*

When it is necessary to reduce the work force, seniority shall govern, with the junior employee in the position being laidoff.

11.02*

When a classification is abolished, the affected employees may displace a junior employee in his position or if seniority is insufficient he may displace a junior employee in a lower position.

11.03*

When the work force is being increased, the senior employee in the position required will be recalled.

11.04*

An employee on layoff shall be allowed fifteen (15) days to report from time of notification by registered mail to his last known address and failure to report within that time shall be considered as a volontary termination, unless additional time has been properly granted by the Superintendent. A copy of the recall notice will be mailed to the local Union Committee.

11.05**

Upon notification, the employee shall be advised if the duration of work is to be less than 30 days. Should he decline his turn, he must advise the Railway within forty-eight (48) hours of receipt of the registered letter or telegram, in which case the Union shall be advised. Application of the paragraph shall not result in any extra expense to the Railway. It is understood that recalls for 30 days or more where no laid off employees are available or for 60 days or more must be accepted.

11.06**

In case of layoffs, the Railway shall give at least seven (7) days notice to affected employees with less than two years seniority and at least fifteen (15) days notice to affected employees with seniority of two years or more.

Article XII – Grievance Procedure & Arbitration

12.01*

An employee will not be disciplined or dismissed without first having a fair and impartial investigation and his responsibility established. Investigations will be conducted by an officer of the Railway. The employee whose case is under investigation may be represented at the hearing by the fellow employee of his choice who may be a committee-man and who will be permitted to question witnesses. The employee and his representative will be permitted to read the testimony of witnesses and examine documents submitted as evidence. The employee will sign his statement and will be furnished a copy of his statement taken at the investigation.

12.02*

Employees will be permitted to identify any evidence that might be used in connection with their discipline before its removal from their office.

12.03*

Decision will be rendered within fifteen (15) days from date the investigation is held and if the employee should desire to appeal from that decision, such appeal must be made to the Superintendent in writing in accordance with paragraph 12.09.

12.04*

Where discipline is found to be unjust, the employee will be exonerated, reinstated if dismissed and paid a minimum day for each twenty-four (24) hours held out of service.

12.05*

Discipline assessed will be put into effect within thirty (30) days from date of investigation. An employee will not be held out of service pending decision after investigation except in case of dismissable offence.

12.06*

An employee may be held off for Investigation not exceeding three (3) days and if ordered for hearing will be notified of the charges against him. Hearing will be held as promptly as is consistent and outside of the regular hours of duty if practicable. The employee's rest shall be considered and every consistent thing will be done to prevent loss of his time.

12.07*

Employees who are discharged and not reemployed as such within six (6) months will be regarded as new employees if subsequently reemployed, except where reinstatement is agreed to by the Manager, Railway-Terminal or Superintendent of the Railway and by the Committee.

12.08*

The Union may appoint three (3) delegates from the bargaining unit, not more than two (2) of whom may represent the Union at meetings convened by the Railway. A Union representative may also be present at such meetings. The names of delegates and Union Representative shall be forwarded in writing to the Railway.

12.09*

A grievance concerning the interpretation or alleged violation of this Agreement or appeal against discipline imposed will be handled as follows:

Step I – The grievance will be presented to the Superintendent in writing within thirty (30) days of the occurrence of the matter from which the grievance arose. The Superintendent will reply within fifteen (15) days of receipt of the grievance.

Step II – If a satisfactory settlement has not been reached at this point, the grievance may be forwarded to the Manager, Railway-Terminal within thirty (30) days of the Superintendent's reply. The Manager, Railway-Terminal will give his decision within the fifteen (15) days following receipt of the grievance.

12.10*

Grievance will indicate which articles and paragraphs of the Collective Agreement have been allegedly violated and the settlement sought.

12.11*

Any and all time limits established by this article may be extended by mutual agreement in writing between the Railway and the Union.

12.12*

All differences between the parties to this Agreement concerning its meaning or violation which cannot be mutually adjusted, shall be submitted to the Canadian Railway Office of Arbitration for final settlement without stoppage of work. Such differences must be submitted to the Canadian Railway Office of Arbitration according to their rules of procedure, unless the parties mutually agree in writing to delay proceedings before the Office. Before proceedings to the Canadian Railway Office of Arbitration, grievance will be handled according to the procedure set out in this Article.

Article XIII – Transfer of Position

13.01*

An employee moved by order of the Railway or exercising his seniority rights as provided by this Agreement shall receive free transportation for himself and for the dependent members of his family and household effects on the Railway in accordance with the Railway's regulations.

13.02*

An employee shall suffer no loss of scheduled wages while in transit because of transfer at the Railway's request. Pay for time in transit shall not be in excess of time actually required by existing train service and rest requirements will be considered.

Articles XIV – Leave of Absence

14.01*

Employees, at the discretion of the Superintendent, may be granted up to three (3) months leave of absence. Leaves of absence for more than three (3) months must be approved by the Superintendent and General Committee.

14.02*

Leave of absence under this rule shall not be granted for the purpose of engaging in work outside the Railway service. The name of an employee on authorized leave of absence shall be continued on the seniority list.

14.03**

Leave of absence may be granted for any employee wishing to better himself by attending school, college, university or following such courses as are approved by the Government and properly supervised, for the duration of such courses without loss of seniority, provided that not more than one employee is on such course at any one time.

14.04**

In case of death in his family, an employee will be allowed three (3) consecutive days, including the day of the funeral, with pay at his basic rate, provided he was scheduled to work those days and provided he actually loses the three (3) days on account of such death.

14.05**

For the purpose of paragraph 14.04 'immediate family' is defined as wife or husband, daughter, son, brother, sister, father, mother, father-in-law, mother-in-law, brother-in-law and sister-in-law.

14.06*

During the life of this Agreement, the Railway will not arbitrarily deny leave of absence without pay to employees delegated by the Union to attend and take part in Union conventions and conferences. Such leave shall not exceed an aggregate of ten (10) weeks in any year. Not more than one (1) employee will be on such leave at the same time. The Union agrees to give at least one week's notice in writing to the Railway requesting such leave and designating the employees for whom it is desired.

14.09*

The Railway will not arbitrarily deny leave of absence during the life of this Agreement for the purpose of working full time for the Union, however, the following conditions must also be met:

(a) not more than one (1) employee may be on such leave at one time;

(b) such leave must be for a period of not less than two (2) months;

(c) such leave will be without pay but seniority will not be affected;

(d) the Union agrees to give at least two (2) weeks' notice, in writing, requesting such leave.

Article XV – New Positions

15.01*

Where the Railway decides to establish one or more new positions not mentioned in the present Agreement or to change the content of an existing job, the following procedure will be observed.

15.02 (a)*

The Railway shall inform the Union in advance by written notice of the new positions to be established and a summary of the qualifications required and work to be done. Should the Railway substantially change the qualifications on the work summary during the trial period, the position will be re-bulletined.

15.02 (b)*

A provisional rate of pay for the new job will be determined by the Railway and will take effect immediately. The bulletining will be done in conformity with the present Agreement and the Union will be advised. In the event that the provisional rate is changed in accordance with paragraph (c) below, the job shall be re-bulletined.

15.02 (c)*

After a trial period of not more than sixty (60) days, the Union or the employee concerned may make a grievance regarding the rate within the thirty (30) days following the trial period. If no such grievance is filed during this time, the rate set by the Railway will be considered as established.

15.02 (d)*

If there is a grievance, it will be subject to the Grievance procedure clause of this Agreement. It is understood, however, that any alteration of a rate established according to paragraph (b) as a result of a position will be retroactive to the application of the new position or of the change.

15.03*

An established position shall not be abolished and a new one created under a different position or title concerning relatively the same work, for the purpose of reducing the rate of pay.

Article XVI – Welfare Plan

16.01*

Improved Welfare Plan benefits, as submitted by the Railway dated January 22nd, 1970 will come into effect as follows:

(a) (i) Accident and sickness weekly indemnity payment increased from thirteen (13) to twenty-six (26) weeks.

(ii) Basic life insurance $8,000. Employees may opt to purchase through the Welfare Plan and in accordance with the terms of the Welfare Plan, additional life and accidental means death and dismemberment insurance of $8,000. This option can be exercised at any time up to February 29th, 1972 but once exercised it cannot be reversed.

(iii) Basic medical insurance plan and major medical insurance plan (same as U.T.U. Trainmen).

(iv) Accident and sickness weekly indemnity payment according to the following scale:

Occupation	Weekly Benefit
Dispatchers	$93.00
Crew Clerks	$81.00

Weekly benefit payments as set out above to be paid in accordance with the occupation of the employee at the time he is eligible for the benefit.

(b) March 1st, 1971

Accident and dismemberment insurance extended to occupational accidents (24 hours).

Article XVII – Attending Court & Investigations

17.01**

Employees attending court, coroner's inquest, legal cases or investigations at Railway's request, will be furnished with necessary transportation and will be paid for actual time lost on their assignment at the applicable straight rate if outside of their assignement and reasonable expense if away from home station.

Article XVIII – Road Trips

18.01*

Employees instructed by the Railway to learn the road will be paid the equivalent of one (1) basic day for each day so engaged. Days of rest and statutory holidays will not be used for this purpose. Employees will be compensated for meals, lodging and travelling expenses necessarily incurred during a trip. Such expenses will be reimbursed promptly.

Article XIX – Certificate of Service

19.01*

An employee leaving the service of the Railway will, on his request, be furnished a certificate by the Railway stating term or terms of service and capacities in which employed. Unless otherwise requested, this certificate will be mailed as promptly as possible to the employee at his last address registered with the Railway.

Article XX – Consultative Machinery

20.01*

Upon request, within fifteen (15) days' written notice, the Manager, Railway-Terminal or his representative will meet with the officers of the Union who may be accompanied by a Union representative, to exchange views on matters of common interest not covered by this Agreement, provided these matters are incorporated in an agenda addressed to the Manager, Railway-Terminal at the same time as the notice referred to above. Within seven (7) days of the written notice, the Manager, Railway-Terminal will inform the Union of the date and time of the meetings.

20.02*

Such a meeting may also be held at request of the Railway.

20.03

Where crew clerks are employed they shall be the only authorized employees to call train crews, except in case of emergency.

Article XXI – Duration of Agreement

21.01**

This Collective Agreement shall be effective March 1st, 1971 and will remain in effect until February 29th, 1972 and thereafter until revised or superseded subject to sixty (60) days notice by either party after December 31st, 1971 and before February 29th, 1972.

Appendix 'A' – Extended Vacation**

Effective as of September 11, 1968, an Extended Vacation plan (hereinafter called EV) will come into force as follows:

1. Each five (5) year period of completed continuous service with the Railway qualifies the employee for EV based on four (4) weeks of EV after five (5) years of service and eight (8) weeks of EV after ten (10) years of service. Each additional five (5) year period of service qualifies the employee for EV based on eight (8) weeks of EV.

2. Employees with five (5) years service or more, but less than ten (10) years service, as of September 11, 1968, will be granted EV according to the following table:

Years of Service	Weeks of EV
5 but less than 6	4
6 but less than 7	4 ½
7 but less than 8	5
8 but less than 9	6
9 but less than 10	7

3. (a) Employees receiving EV as set out in (2) above are

entitled to a second EV after five (5) years of service from their employment anniversary date in 1968.

(b) The date of entitlement of the second EV establishes the start of the third five (5) year period of service. The start of each subsequent five (5) year service is established in the same manner as the third five (5) year period.

4. (a) Employees with ten (10) years or more service as of September 11, 1968 are entitled to EV as of September 11, 1968. Such employees are entitled to a second EV after five (5) years of service from their employment anniversary date in 1968.

   (b) The date of entitlement of the second EV establishes the start of the third five (5) year period of service. The start of each subsequent five (5) year period of service is established in the same manner as the third five (5) year period.

5. (a) Employees who reach their first five (5) years of service after the 11th of September, 1968 are entitled to EV as of the date of their fifth anniversary date. Such employees are entitled to a second EV after five (5) years of service from the date they become entitled to their first EV.

   (b) The date of entitlement of the second EV establishes the start of the third five (5) year period of service. The start of each subsequent five (5) year period of service is established in the same manner as the third five (5) year period.

6. EV is in addition to regular vacation and shall be added to and taken with regular vacation.

7. An employee may cancel up to 50% of his EV days entitlement. In such cases the employees will receive pay for his full EV entitlement; however, the employee must specify this option in advance of being scheduled for EV.

8. EV days and EV pay will be calculated in the same manner and will be subject to the same conditions as regular vacation except that a five (5) year base will be used for EV instead of the one (1) year base used for regular vacation.

9. Employees on layoff will receive EV at the time they become entitled to same.*

10. Employees entitled to EV upon termination will receive same at that time.*

11. In consideration of the effective date of this EV Plan it is understood and agreed that for their first EV employees may only take 50% of their EV days entitlement, however, where possible, the Railway will take into consideration requests for more than 50% of the EV days entitlement where the requirements of the service and vacation scheduling will permit.*

Appendix 'B' – Pension Plan**

The non-contributory pension plan will apply to the employees covered by this agreement.

Report of Board of Conciliation and Investigation established to deal with dispute between Neil Penner Highway Service and General Drivers, Warehousemen and Helpers, Local 979

The Board was under the chairmanship of C.R. Husband of Winnipeg, appointed by the Minister of Labour on the joint recommendation of the other members of the Board, Harold Guy Piercy and J.A. Coulter, both of Winnipeg, who were previously appointed on the nomination of the company and union, respectively. The report was received by the Minister in March.

Before outlining the progress of the Conciliation Board, perhaps a brief history of events leading to the appointment of the Conciliation Board would be desirable.

The Union made application to the Federal Department of Labour for certification on the 10th day of December, 1969. On the 19th of March, 1970, the Canada Labour Relations Board certified the Union as bargaining agent for the employees of Neil Penner Highway Service, excluding the president and supervisor.

On the 10th of April, 1970, the Union notified the Company that proposals would be sent to the Company for the purposes of negotiating a collective agreement. Those proposals were forwarded to the Company on the 17th of April, 1970. On April 29th, the Union, not having heard from the Company, advised the Company that the Union would apply for the services of a conciliation officer. On the 5th of May, 1970, the Union applied to the Federal Department of Labour for the services of a conciliation officer.

A conciliation officer did endeavour to bring the parties together during the months of June to September, 1970, but little or no progress was made. The Union had proposals for a collective agreement, but the Company had no counter proposals, and the Company was not prepared to consider the Union's proposals.

That was the status of the matter when the Conciliation Board was appointed by the Minister of Labour.

The first meeting of the Conciliation Board was held on the evening of Wednesday, November 18th. All parties agreed that the Conciliation Board was properly constituted. Mr. E. J. Clark, was present at the meeting to represent the Union, and Mr. David Proctor of the firm of Pitblado, Hoskin & Company, was present to represent the Company. Mr. Neil Penner himself, the president of the Company was also in attendance (along with other persons whose names need not be set forth in this report). At the meeting on November 18th, the preceding history was reviewed, and a common consensus was arrived at that, in order to make any progress, it would be necessary for the Company to come forward with some counter proposal in order tha meaningful negotiations might take place leading to an eventual collective agreement. A further meeting of the Conciliation Board took place on the evening of Friday, November 26th. At that time, the Company did, in fact, make a counter proposal to the Conciliation Board for a collective agreement. Discussion took place with respect to both the Union proposal, which had been made previously, and the Company's proposal, which was put forward on that occasion, and comparisons were made between the two proposals to note the areas of difference.

The areas of difference were substantial.

On December 3, 1970, the Conciliation Board (without the parties being present) met together to discuss and consider the best possible method of overcoming the differences between the parties. It was decided that the Conciliation Board would draft its own proposal and submit that proposal to both the Union and the Company for consideration. The Conciliation Board proceeded to draft a collective agreement for submission to the parties, and a further meeting of the Board, with the parties, was scheduled for December 15th for that purpose.

At the meeting of the Conciliation Board on December 15th, the Board's compromised proposal was submitted to both the Union and the Company, and was explained to them. Both the Union and the Company then undertook to give consideration to the Conciliation Board's proposal, and to advise the Conciliation Board whether the Conciliation Board's proposal would be acceptable.

A further meeting of the Conciliation Board was scheduled and was held on December 21st, at which time it was envisaged that both the Company and the Union would advise the Board as to whether the Board's proposal was acceptable. The Union representative attended the meeting, but there was no representation at the meeting from the Company. Mr. Clark, representing the Union, indicated that, in general, the Union found the proposal of the Conciliation Board acceptable, except for the clauses relating to Union security, the question of crossing a picket line, and the basic standard of wages.

Subsequent to the meeting on December 21st, the Chairman of the Conciliation Board attempted, on several occasions, to obtain a response from the Company to the proposal for a collective agreement put forward by the Conciliation Board. On February 1st, the Chairman of the Conciliation Board received a letter from the solicitor for the Company advising that the Company would agree to the Conciliation Board's proposal, with the exception of Article 19, dealing with wages. The Company took the position that there could be no change in the level of wages in any collective agreement.

As a consequence of this decision, it became apparent to the Conciliation Board that the Conciliation Board would not be able to bring about agreement between the Union and the Company and no further meetings with the parties have been held.

Attached hereto, and marked as Exhibits 'A', 'B' and 'C' to this report, are respectively, the suggested collective agreement proposed by the Union at the outset of the Conciliation Board hearing, the suggested collective agreement as proposed by the Company during the course of the Conciliation Board hearings, and the suggested collective agreement prepared by the Conciliation Board itself, and submitted to the Company and the Union for consideration. (Not reproduced here.)

Without attempting an exhaustive review of these three agreements, the following general observations can be made: –

(1) As to Union security; – the Union proposed an automatic check off of Union dues for all employees hired by the Company. The Company proposed that a check off of Union dues be made only if the employee executed an authorization

form in the presence of the Company's supervisor. The Conciliation Board proposed a deduction of Union dues except those employees who specifically requested to be exempted. The question of Union security remained unreconciled.

(2) Crossing picket lines; – Article 82 of the Union proposal stated that 'It shall not be considered a violation of this agreement for any employee to refuse to cross a picket line established by a recognized Union.' The Company's proposal omitted reference to that clause, and the Conciliation Board's proposal also omitted reference to that clause. The differences between the parties on that particular point remain unreconciled.

(3) Statutory holidays; – the Union proposal claimed ten statutory holidays. The Company proposal suggested eight statutory holidays. The Conciliation Board's proposal was for nine statutory holidays (which is consistent with the contract requirements between the Postal Department and the Company, which specifies nine statutory holidays).

No agreement was reached with respect to the number of statutory holidays.

(4) Wages; – the Union proposal (contained in Article 25 of Exhibit 'A') called for a basic hourly wage rate of $3.00 per hour commencing on January 3, 1971, and increasing to $3.20 per hour by July 1, 1971, and $3.43 per hour by October 1, 1971. The Company's proposal was basically to pay the employees on a per trip basis, just as they are being paid at the present time on a voluntary basis.

The Conciliation Board's proposal (Article 19 of Exhibit 'C') suggests a basic wage of $2.25 per hour, together with some minor adjustments.

During the course of the Conciliation Board hearing the Company was asked for, and provided, a list of the employees, and the basis upon which they were paid. Attached is Exhibit 'D' to this report which is the information obtained from the Company. (Not reproduced here.)

The Conciliation Board also requested copies of the existing contracts between the Postal Department and the Company, and these were provided. The contracts in question contain a schedule showing when the employee is to leave his departure point, and when he is to return, so that it becomes a simple matter of arithmetic to determine the hourly wage schedule of the employees of the Company.

For example, the two drivers involved in the Winnipeg to Virden route are paid $2.39 per hour. The employee on the Winnipeg to Brandon route obtains approximately $2.00 per hour. The drivers involved in the Winnipeg to The Pas route obtain $2.00. The driver on the Winnipeg to Wawanesa route is paid slightly less than $2.00.

On average, it would appear that the employees are being paid $2.00 per hour, give or minus a few cents.

It was the opinion of the Conciliation Board that the present wage schedules are too low, having regard to wages paid to employees involved in similar work with other companies in this area. In proposing a basic wage of $2.25 per hour, the Conciliation Board was conscious of the fact that even this figure is lower than prevailing wage rates for truck drivers in this area. But the Board was prepared to give some weight to the unusual circumstances in which the Company finds itself. Specifically, the Company has tendered upon and received contracts for the delivery of mail to certain points in western Canada. The contracts remain in force for a period of five years. Under the terms of the contract, the Company may request an increase in the amount stipulated in the contract 'to cover the actual increase in operating costs, increase in wages, etc., . . .' but this provision comes into effect only after the contract has been in operation for a minimum of two years.

Most of the contracts between the Company and the Postal Department are in their early stages, and the Company argues that if wages were increased, the Company would find itself in a position where it was paying higher operating costs than anticipated when it tendered on the contracts, with no immediate relief in terms of an adjustment of the contract price. Further, the Company argues that it would place itself in an impossible position in terms of tendering on new contracts.

While come weight was given to the Company's position, the Board believes that the Company can and should increase its wages to some extent. The Board believes that the major problem preventing a collective agreement from coming about, is the Company's adamant and unreasonable position that it will not agree to any reasonable wage schedule for its employees.

There were, of course, other areas of disagreement between the Company and the Union, but it is the view of the Conciliation Board that those mentioned above, and particularly wages, were the main items preventing the success of the Conciliation Board.

DATED this 8th day of March, A.D. 1971.

J.A. Coulter
Chas. R. Husband

The above consists of the majority report. A minority report follows immediately hereafter.

Minority Report of H.G. Piercy

I have considered the majority report in this dispute and I concur in that report to the extent that it well summarizes the developments that have occurred between the employer and the Union. My associates on the Board, however, have elected to make a judgment as to which of the parties is to be faulted for this Board not being able to help resolve the outstanding differences between the parties. It is that part of the majority report that concerns me and prompts me to make this minority report. Quite contrary to the majority report; and with much respect to the conclusion reached by my fellow Board members; and if it is indeed necessary for this Board or any Board appointed under the Industrial Relations and Disputes Investigation Act to make a 'fault finding' I would have held that it is clearly the Union's posture that for the most part has precluded there being a Collective Agreement consummated. There can be no doubt that the employer has taken a somewhat rigid position on the wage schedule and perhaps as the majority report says; an adamant position. My associates have gone still further and have concluded that the employer's position on the wage schedule was unreasonable. This conclusion is reached by the majority notwithstanding the fact that the employer was prepared to accept *all* the other monetary and contract language matters proposed by our Board of Conciliation. Mr. Clarke for the Union on the other hand has identified *seven* of those employment conditions (including wages) proposed by our Board that were not acceptable to the Union.

Neil Penner, who is the President and sole proprietor of Penner Highway Service, is engaged in a somewhat unique and obviously precarious business venture. He has a very narrow business base – that being the transporting of mail under contract from the Government of Canada and as a consequence the very survival of his business; therefore his livelihood and the employment security of his employees is dependent solely upon Mr. Penner's ability to successfully

compete for contracts to transport Her Majesty's mail. With that knowledge it should be abundantly clear that should the pressures of the market place (such as competition from other bidders who absorb lesser wage and employment costs) force him to accept contracts at prices less than his total operating costs then his business venture is headed for failure and as a consequence his employees become the unfortunate casualties of yet another business failure.

Mr. Proctor, the solicitor for the employer and Mr. Penner himself have told us that Neil Penner Highway Service cannot absorb additional wage costs, at least at this point in time, and we have also been told – perhaps in different words – that to pay higher wages than those presently being paid to the company's personnel could well have the effect that this report spoke of earlier. That being so (and there was no evidence, or enlightening argument, or documentation to suggest otherwise) then the employer's rigid and adamant position on wages, in my view, was a sensible and sound position and that for the employer to have taken any other posture, may have been irresponsible as not being in the best long-term interests of his employees and the preservation of his business investment.

I now turn to the role played by the Union's Representative, Mr. E. J. Clarke, during the Conciliation Board proceeding. Certainly he is to be commended for making himself available at all reasonable times during the proceedings and for his flexibility on certain of the issues in dispute but, unfortunately he appeared to this member to not fully appreciate the peculiar and indeed serious situation faced by the employer and the adverse impact that a high cost settlement would produce. I had the distinct impression that he considered short term prosperity as paramount, even to the extent of sacrificing long term security. In fairness to Mr. Clarke, he was at a distinct disadvantage during the hearings, in that at no time was he accompanied by any of the members of the bargaining unit. Why there was not a negotiating committee in attendance is not too germane although one could speculate and arrive at any number of conclusions. Perhaps, however, if the very employees directly affected by the proceedings had been in attendance, the result of our Board's efforts may have been more fruitful.

During the hearing of December 21st, 1970 (the last of a series of hearings, but not attended by the employer or his representative) Mr. Clarke, in response to a question from this member, advised that the employees had not met 'recently' to consider the proposals and counter proposals involved in these proceedings. Whether or not the membership *has since met* and has decided to reject the company's last and final proposal for settlement is – *I feel – a critical* question and if not answered at all or if not answered in the affirmative, should be of concern to the Director of the Conciliation and Arbitration Branch of the Canada Department of Labour. If Mr. Clarke *has not* presented the employer's last and final proposal to those employees affected and if he rejects that proposal personally and without the knowledge and consent of those employees included with the Canada Labour Relations Board order of March 19th, 1970, then he has attempted to bestow upon himself certain rights, privileges and prerogatives that are quite clearly not his to exercise.

This Board of Conciliation has no power to make an award binding on the parties, unless of course the parties have first given their consent. With full cognizance of that fact, coupled with the knowledge that a minority recommendation usually carries little weight, I still feel obliged to make a recommendation for settlement..... I recommend as follows:

(a) That the whole proposal for settlement, except wages, presented to the parties by the Board of Conciliation on December 15th, 1970, be accepted by the parties.

(b) That the present wage levels whether expressed on a mileage or rate per hour basis be increased by an amount of six (6) per cent.

(c) That the Collective Agreement and all its articles be for a term of twelve (12) months effective from the date of signing the Collective Agreement.

DATED at Winnipeg, Manitoba, this eighth day of March, A.D. 1971.

H.G. Piercy
Member of the Board

Reasons for Judgment in Application for Certification Affecting
Le Syndicat des Journalistes de Montréal Inc., (Applicant)
and
CJTR Radio Trois-Rivières Limitée, (Respondent)

The Board consisted of A. H. Brown, Chairman, and E. R. Complin, J. A. D'Aoust, Jacques Guilbault, A. J. Hills, Gérard Picard and R. C. Smith, Members. The judgment of the Board was delivered by the Chairman.

1. By application dated September 30, 1970, the Applicant applies to be certified as bargaining agent for a unit of employees of the Respondent employed in the operation of Radio Station CJTR at Trois-Rivières, Que., which the Respondent operates under a radio station broadcasting licence granted to it by the Canadian Radio and Television Commission.

   This unit of employees as clarified by the Applicant at the hearing held by the Board on the application and as described in terms of the classifications of employees on the payroll list of the Respondent at the date of the application consists of employees in the following classifications: production-technician, announcer, part time announcer, librarian, traffic manager, traffic secretary, scriptwriter, news editor-reported (other than those working at Shawinigan and Louiseville, Que.), sports announcer, news editor, part time news editor, secretary to sales, telephone operator-receptionist, *and excluding* employees in the classifications of: general manager, program director, news director, salesman, accountant, secretary-accountant, collection clerk, part time technician & maintenance man, news editor-reporters working at Shawinigan and Louiseville, Que., part time sports announcer, and part time secretary to traffic-sales-telephone-accounting.

2. The Respondent submits inter alia that the bargaining unit for which the Applicant seeks certification is not appropriate for collective bargaining in that a number of classifications of employees excluded from the proposed unit should be included therein and a number of classifications of employees included in the bargaining unit should be excluded therefrom. The Respondent alleges also that some of the employees in the proposed unit had been induced to become members of the Applicant by reason of acts of intimidation and undue pressure exerted upon them by the Applicant and the evidence of membership so secured does not represent the true wishes of the employees as to the choice of the Applicant to be their bargaining agent.

3. (1) Based upon the evidence given at the hearing before the Board on the application and the representations made on behalf of the parties, the Board finds that a unit of employees of the Respondent employed upon and in connection with the operation of Radio Station CJTR at Trois-Rivières, Que., consisting of employees in the following classifications: production-technician, announcer, part time announcer, librarian, traffic manager, traffic secretary, scriptwriter, news editor-reporter, sports announcer, news editor, part time news editor, telephone operator-receptionist, *and excluding* the following: general manager, program director, news director, part time technician & maintenance man, part time sports announcer, local news editor-reporters working at Shawinigan and Louiseville, Que., employees in the sales department (secretary to sales, salesman), employees in the accounts department including the collection clerk (accountant, secretary-accountant), and part time secretary to traffic-sales-telephone-accounting is appropriate for collective bargaining.
   (2) Based upon the report of the Board's Investigating Officer following upon his check of the employee payroll records of the Respondent at the date of the application for certification and the membership records of the Applicant as of that date, the Board finds that a majority of the employees of the Respondent in the bargaining unit which the Board has found to be appropriate for collective bargaining were members in good standing of the Applicant at the date of the application.
   (3) The Board finds also that the Applicant is a trade union within the meaning of the Industrial Relations and Disputes Investigation Act.
   (4) An order will issue accordingly certifying the Applicant as bargaining agent for the unit of employees of the Respondent which the Board has thus found to be appropriate for collective bargaining.

4. The allegations of the Respondent of threats and undue pressure having been exerted by the Applicant upon employees of the Respondent to secure their membership in the Applicant were not substantiated by any evidence to this end adduced at the hearing before the Board. Neither could the Board accept in evidence unverified purported copies of signed letters of resignation from membership in the Applicant which the Board's Investigating Officer reported as having been sent in to him from an unknown source.

(sgd.) A.H. Brown,
Chairman,
for the Board

APPEARANCES

Mortimer G. Freiheit *for Le Syndicat des Journalistes de Montréal Inc.*

Jacques Fortin and Jacques Marchessault, Q.C. *for CJTR Radio Trois-Rivières Limitée.*

Ottawa, February 15, 1971.

Reasons for Judgment in Application for Certification Affecting
Le Syndicat des Journalistes de Montréal Inc., (Applicant)
and
CJMS Radio-Montréal Limitée, (Respondent)

The Board consisted of A. H. Brown, Chairman, and E. R. Complin, J. A. D'Aoust, A. J. Hills and Gérard Picard, Members. The Judgment of the Board was delivered by the Chairman.

1. By application dated September 30, 1970, the Applicant applied to this Board to be certified as bargaining agent for a unit of employees of the Respondent employed in the operation of the Respondent's AM radio station at Montréal, Qué., which the Respondent operates under a radio station operating license granted to it by the Canadian Radio and Television Commission. The Applicant describes this unit as one confined to production employees and excluding clerical and administrative and other employees of the Respondent employed in connection with the operation of the station. The Applicant submits the unit applied for is an appropriate unit for collective bargaining and that a majority of the employees in this proposed unit are members in good standing of the Applicant.

2. As clarified by the Applicant at the hearing held by the Board on the application, the unit of employees for which the Applicant seeks certification as described in terms of the Respondent's payroll classifications of radio station employees consists of employees in the following classifications:

announcer	scriptwriter
news editor	secretary to the script department
reporter	marketing clerk
librarian	secretary to the marketing department
technician	traffic clerk

excluding

A. employees in the accounts department (including accounting clerks, collection clerks, and general secretary to the accounts department),
employees in the sales department (including the general secretary to the sales department),
employees in the stores department,
employees classified as messenger, and
telephone operator,
all of whom the Applicant submits are clerical and administrative personnel;

B. freelance announcers, reporters and correspondents, all of whom the Applicant claims by reason of the nature of their employment have not a community of interest with the employees in its proposed unit;

C. the general manager and persons above this rank,
director of programs,
director of local sales,
director of national sales,
director of marketing,
accountant,
news director,
assistant news director,
director of sports,
editorialist,
researcher, and
special projects adviser,
all of whom the Applicant submits exercise management functions or are so closely associated with senior management policy planning as to warrant exclusion from the proposed unit; and

D. private secretaries to senior management.

3. The Respondent in contesting the application submits, inter alia, (a) that an appropriate unit should include all of its employees employed in the operation of the radio station other than those exercising management functions and private secretaries to the senior management; (b) that all of the employees whom the Applicant seeks to exclude from the bargaining unit as being freelance employees should be included in the unit; (c) that the technicians and technician-operators whom the Applicant claims were employees of the Respondent at the date of the application were not employees of the Respondent at that date having been transferred in January, 1970, from employment with the Respondent to employment with Radiodiffusion Mutuelle Limitée, an associate company which manages a chain of radio stations in Quebec of which the Respondent is one; (d) that a number of the employees whom the Applicant seeks to have excluded from the bargaining unit on account of an alleged exercise of management functions or as being employed in a confidential capacity in matters relating to labour relations do not in fact exercise management functions or perform such confidential duties and accordingly should not be excluded from the unit; and (e) that a number of employees claimed as members in good standing of the Applicant at the date of the application had subsequently withdrawn their support of the Applicant as their bargaining agent.

4. The Board observes that a unit comprised of employees engaged in the production and logging of programs and commercials for broadcast purposes including technicians and operators and on-air broadcast performers may constitute an appropriate and viable bargaining unit in the initial organization of employees in a radio station undertaking but this does not preclude the recognition of a broader type of unit as appropriate in other or even similar circumstances having regard for the size of the operation and the manner in which carried on.

Many radio stations make extensive use of freelance and other part time personnel in the categories of reporters and correspondents, announcers, hosts, and other freelance on-air performers to complement the services of full time staff employees in the same categories. Such freelance employees do not usually evince an interest in being associated with or blanketed in with the full time staff employees in the

same categories of work for collective bargaining purposes and are generally excluded from bargaining units of such staff employees as lacking a community of interest therewith. In determining freelance status, where this is in contest, the Board is interested inter alia not only in the nature and regularity of employment in the radio industry, including the provisions of the individual contract of employment, but also in the individual's other current career activities outside the radio industry.

5. The Board finds that there were no employees in the classifications of technician and technician-operator in the employ of the Respondent at the date of the application. The Board finds that the evidence does not support the contention of the Applicant that the following employees should be excluded form the unit as exercising management functions, namely: an employee classified by the Respondent as an announcer whom the Applicant designated as sports director, an employee classified by the Respondent as senior scriptwriter whom the Applicant designated as director of the script department, and an employee classified by the Respondent as news editor whom the Applicant designated as assistant news director. The Board finds the following persons to be freelance employees and as such inappropriate for inclusion in the bargaining unit found appropriate by the Board for collective bargaining, namely: Réal Desrosiers – announcer, and Henry Best, Louis Desroches, Claude Jodoin and Georges Wolff – reporters and correspondents.

6. After consideration of the evidence and argument advanced by the parties at the hearing before the Board, the Board finds that a unit of employees of the Respondent employed in the operation of the Respondent's radio station CJMS-AM consisting of employees in the classifications of announcer, news editor, reporter, librarian, scriptwriter, scriptwriter & secretary, marketing clerk, marketing clerk & secretary, and traffic clerk is an appropriate unit for collective bargaining, *excluding* freelance announcers, freelance reporters, and freelance correspondents, *and excluding* employees in the accounting department (including the collection clerk), *and* employees in the stores department, *and* employees in the sales department, *and* employees in the classifications of messenger, telephone operator, éditorialist, researcher, special projects adviser, *and* the private secretaries to the general manager and program director, *and excluding* the general manager and persons above that rank, the director of national sales, the director of local sales, the program director, the accountant, the director of marketing, and the news director.

7. The Board places no weight on the evidence put forward by the Respondent in the form of individual statements and affidavits completed by some employees in the proposed bargaining unit who had signed up as members of the Applicant prior to or on the date of the application for certification to the effect that the employee had signed up as a member of the Applicant under pressure and threat of blackmail by the Applicant and now withdraws his or her support of the union. The evidence at the hearing is to the effect that these signed statements were prepared on the initiative of the Respondent in identical form and language content and were placed before the employee for signature in the offices of the Respondent by one of its senior officers following upon a discussion between them leading to the signing of the document.

8. Based on the report of the Board's Investigating Officer following his check of the employee payroll records of the Respondent as at the date of the application for certification and the membership records of the Applicant as of the same date and the evidence placed before the Board at the hearing, the Board finds that the Applicant does not have as members in good standing a majority of employees in the bargaining unit which the Board has found to be appropriate for collective bargaining.

The application is rejected accordingly.

(sgd.) A.H. Brown
Chairman,
for the Board

APPEARANCES

Mortimer G. Freiheit — *for Le Syndicat des Journalistes de Montréal Inc.*

Jacques Fortin and Jacques Marchessault,Q.C. — *for CJMS Radio-Montréal Limitée*

Ottawa, February 15, 1971.

Dissenting Opinion of Mr. Gérard Picard

I do not agree with the conclusion of the Board. In my opinion, taking into account all the circumstances of this case and referring to Section 9 of the Act, I would have ordered a vote to ascertain the wishes of the employees.

Gérard Picard,
Member of the Board
Ottawa, February 15, 1971.

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CONCILIATION BOARD REPORTS

together with

CLRB REASONS FOR JUDGMENT

No. 4, 1971

Conciliation Board Reports in disputes between:

Canadian Broadcasting Corporation and General Syndicate of Cinema and Television Workers (CNTU)

Canadian National Hotels Limited (Hotel Newfoundland) and Hotel and Restaurant Employees and Bartenders' International Union, Local 779

Reasons for Judgment in Applications affecting:

1. Transport Drivers, Warehousemen and Helpers' Union, Local 106 of the International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers of America (Applicant) and Voyageur (1969) Inc. (Respondent) and Syndicat des Chauffeurs de Voyageur Provincial (Intervener) and Canadian Brotherhood of Railway, Transport and General Workers (Intervener)
2. Syndicat des Chauffeurs de Voyageur Provincial (Applicant) and Voyageur (1969) Inc. (Respondent) and Transport Drivers, Warehousemen and Helpers' Union, Local 106 of the International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers of America (Intervener) and Canadian Brotherhood of Railway, Transport and General Workers (Intervener)

Letter Carriers' Union of Canada (Applicant) and
Jessiman Bros. Cartage Ltd. (Respondent)

CANADA DEPARTMENT OF LABOUR

Hon Bryce Mackasey, Minister

J. D. Love, Deputy Minister

Report (Translation) of Board of Conciliation and Investigation established to deal with dispute between:
Canadian Broadcasting Corporation
and
General Syndicate of Cinema and Television Workers (CNTU)

The Board was under the chairmanship of Professor Raymond Lachapelle of the University of Montreal, appointed by the Minister of Labour in the absence of a joint recommendation from the other members of the Board, Raymond Caron, Q.C., and Jacques Desmarais, both of Montreal, who were previously appointed on the nomination of the Corporation and union, respectively. The report was received by the Minister in April.

The Board regrets not having been able to bring the parties to an agreement concerning the renewal of the collective agreement.

At the present time, the Corporation is negotiating with the union concerned, and other unions, the renewal of the collective agreement. The members of the Board feel that these direct negotiations, with or without the help of mediation, will yield short-term results.

For these reasons, the members of the Board merely remind the parties of the suggestions that they have already made to them concerning:

(a) the framework of the negotiations within which the parties have agreed to operate on condition that a collective agreement is signed, according to the proposals of the union dated January 22, 1971;

(b) an accelerated grievance procedure, cutting by about one half the present time-limit;

(c) the setting-up of an advisory committee sponsored by the Federal Department of Labour, in which a Department representative would act as a moderator.

The members of the Board thus refrain from making any recommendation in this matter, because they are convinced that they would not be, at this time, of any true assistance to the parties or to mediation.

The members of the Board wish to sincerely thank the representatives of both parties for their co-operation.

(Sgd.) R. Lachapelle
Raymond Caron
Jacques Desmarais

Montréal, P.Q., April 5, 1971

Report of Board of Conciliation and Investigation established to deal with dispute between:
Canadian National Hotels Limited (Hotel Newfoundland)
and
Hotel and Restaurant Employees and Bartenders' International Union, Local 779

The Board was under the chairmanship of Professor Rolf Hattenhauer of Memorial University, St. John's, appointed by the Minister of Labour on the joint recommendation of the other members of the Board, A. William Cox, Q.C., of Halifax and William Parsons of St. John's, who were previously appointed on the nomination of the company and union, respectively. The report was received by the Minister in May.

The first meeting with both parties opened on April 5, 1971. The parties presented their briefs to the Board, and it became very quickly evident that no real negotiations had taken place between the parties since their previous agreement had expired in September of 1970. The Union pointed out '...that all of the points in the Union proposals are in dispute, ...', and the Board shared the Conciliation Officer's sentiment when he expressed his disappointment about the deplorable '...lack of negotiations which took place prior to but also during the Conciliation Officer stage.' The parties' unwillingness or inability to engage in direct negotiations was carried forward into this first joint meeting with both parties, and since neither negotiating team seemed to be prepared to make any concessions or offer compromise proposals, the Board, in its attempts to effect a settlement, subsequently relied almost exclusively on separate meetings with the parties.

Further meetings were held on April 6, at 10:30 a.m. and 4:00 p.m., and at the end of that day's second meeting substantial progress appeared to have been made on many of the issues in dispute, and the Board was satisfied that a faint chance for complete agreement did exist. The next meeting was scheduled for April 7; however, on the morning of that day the Union nominee, James Walsh, notified the Chairman that he (the Nominee) had resigned from the Board for personal reasons. This left the Board unable to function until the end of April when the new Union Nominee, W. Parsons could be sworn in as third member of the Board. The Board's reporting time was extended to May 7, 1971.

The Board met again with both parties on Monday, May 3, 1971, at 2:30 p.m., and a review of the situation at that time showed that—while no formal agreement had been reached—all issues except vacations, severance pay, and wages were subject to satisfactory solution. In separate meetings with both parties the Board put forth a compromise proposal of its own re wages, but this was not accepted and both parties were unwilling to modify their respective positions.

The Board concluded the hearings by holding a joint meeting with both parties, in which they presented their respective positions on three (de facto) outstanding issues as follows:

1. **Vacation;** the Union retained its demands for three weeks vacation after five years of service and four weeks vacation after ten years of service, while the Company offered three weeks vacation after ten years of service and four weeks vacation after eighteen years.
2. **Severance Pay;** for employees who are discharged because their job has been abolished, the Union proposed severance pay in the amount of $45.00 for each year of service in excess of five years. The Company made no firm proposal but assured the Board that the question of severance pay would not be an obstacle to agreement if the wage issue could be settled.
3. **Wages;** the Union resubmitted its latest modified proposal of 15¢/hr increase in each of two years plus a 50¢ classification adjustment for the job classes listed in their proposal (see Appendix A). The Company rejected the concept of the classification adjustment out of hand, arguing that alleged inequities within the bargaining unit had been eliminated as part of the last settlement, and it offered as its closing proposal a 3¢/hr increase in each of two years.

In support of its wage proposals the Union pointed to wage settlements in two other CN hotels, namely the Chateau Laurier, Ottawa, and the Hotel MacDonald, Edmonton. At the Chateau Laurier, hourly wage increases of 15¢ in each of two years resulted in what the Union called 'a basic wage rate' of $1.67, effective March 19, 1971, and at the Hotel MacDonald increases of 13¢ and 9¢ respectively in each of two years raised the 'basic hourly rate' to $1.74. In comparison, 'the basic hourly rate presently paid Employees of the Hotel Newfoundland is $1.25.' Justification for the classification adjustment of 50¢ was submitted by way of a wage comparison between the Hotel Nova Scotian and Hotel Newfoundland. The comparison showed the rates at Hotel Newfoundland to lie from 13¢ to 75¢ below those paid by Hotel Nova Scotian (mean: 42¢). In essence, the Union argued for wage parity--or at least against growing disparity--between the Hotels in the CN chain across the country.

The Company had two major arguments in support of its case. The first argument was that wage parity--or near parity--ought to be maintained between competitors in the local area. The Company pointed out that its present wage rates are superior to those paid by its local competitors and that a wage increase of any size would weaken its own position vis-a-vis its nonunionized competition. Wage settlements at other hotels were argued to be of no relevance to the St. John's negotiations since those other settlements were made in the context of each local competitive situation. The Company's second argument was that of 'inability to pay'. The evidence which was submitted in support of this argument showed that the Hotel's operations had been marginal, and the Company argued that, since no profit cushion was available to absorb higher operating costs, cost increases would have to be supported through increased revenue in the form of higher prices. However, it was argued that the local competitive situation made it unrealistic to expect increases in total revenue as a result of an increase in prices.

In short, the Company argued that Hotel Newfoundland ought to be viewed as an autonomous economic unit which ought to be expected to be profitable within the local market in which it has to compete. Yet, the Hotel's negotiating committee conceded that some wage increase would have to be given in order to effect a settlement, and the question was what a realistic and tolerable wage increase might be under the circumstances.

RECOMMENDATIONS

On the basis of the information received and the arguments advanced during the hearings, the Board has come to the conclusion that the following modifications to the previous agreement between the parties ought to be accepted as reasonable by both parties in this dispute:

1. The Board recommends no change in the length of the probationary period. However, part-time service in a given job class should be credited to an employee on an hour-for-hour basis against his probationary period when the employee obtains full 'permanent' status in that job class.

2. The Board recommends that one additional statutory holiday be granted (Boxing Day).

3. The Board recommends that employees with ten or more years of service be granted three weeks paid vacation per annum, and that employees with eighteen or more years of service be granted four weeks vacation per annum.

4. The Board recommends that employees who are discharged because their job has been eliminated, be granted separation pay in the amount of $45.00 for each year of service in excess of five years.

5. The Board recommends that the dues check-off be extended to cover part-time employees with sixteen or more hours of work per week.

6. The Board recommends that at least two weeks notice be given to employees who will be discharged as a result of a planned permanent reduction of staff.

7. The Board recommends the following wage increases over the life of a thirty-months agreement: a 6¢ per hour increase effective October 1, 1970 (full retroactivity); a 6¢ per hour increase effective May 1, 1971; a 6¢ per hour increase effective May 1, 1972. Based on a present mean rate of $1.50 per hour, the suggested increases would amount to approximately 12 per cent over 30 months (of which seven months have already elapsed). This, of course, does not take into account the monetary equivalent of the recommended additional statutory holiday or of the increased vacation entitlement. The Board does not recommend a classification adjustment. Rather, it is recommended that both parties investigate the desirability of introducing a job classification program in the Hotel. Such a system, properly designed and installed, should eliminate most (if not all) of the real or suspected inequities in the present wage structure.

The above recommendations have been arrived at after due and careful consideration of all the arguments advanced by both parties, and the Board believes that the substance of its recommendations (with the wording to be determined by the parties) forms a reasonable basis for agreement.

St. John's, May 5, 1971

(Sgd.) R. Hattenhauer,
Chairman.

A. William Cox,
Nominee.

APPENDIX 'A'

HOTEL and RESTAURANT WORKERS
LOCAL 779
St. John's, Newfoundland

Sept. 22nd, 1970

Proposed Wage adjustments and amendments to the current wage and working agreement,
Between
Hotel and Restaurant Workers Local 779, St. John's, Newfoundland,
and
The Canadian National Railways Hotel Department

Definitions:

(Art. 3)

Part time employees means a person employed on a regular basis at less than regular full time hours, but 8 hours or more per week shall be subject to serving the probationary period provided for in Art. 3.2.

(Delete the 60 working days and insert 30 days)

Art. 3 – New Section

A person who leaves the Company of his own accord and is later re-hired to his former position shall not be required to serve a Probationary period.

Art. 6 (1) Page 9

To be changed to read. When reducing forces, two weeks notice shall be given to the employees affected.

Art. 13 (1) Page 20. Statutory Holidays

That we be granted 2 additional Statutory Holidays, preferably Armistice Day and Boxing Day.

Art. 18.13 (page 25). Vacations

If an employee is forced to take his or her annual vacation at a time other than in the months of June, July, August or September, generally considered the Holiday period, the employee affected shall be remunerated at the rate of $30.00 per pay period.

Art. 18, Section 2

Delete 12 years and insert 5 years. Delete January 1, 1969 and insert January 1, 1971.

Section 3

Delete 22 years and insert 10 years. Delete January 1, 1969 and insert January 1, 1971.

New Section 18.17 (page 26)

Delete all and insert 'An employee will be compensated for vacation at the following ratio gross pay'.

2 weeks at 4%
3 weeks at 6%
4 weeks at 8%
6 weeks at 10%

Art. 22 (Page 34)

Classification 'Carpenter, Utility Man' to be deleted and to read 'Carpenter' only. The word 'Utility' to be deleted.

New Section General
Art. 19.6

If an employee or employees are discharged from the employ of the Company through no fault of his or her own but due to the decision of the Company to abolish the position or positions of the employees affected, these employees shall be awarded 'Severance Pay' at the rate of $50.00 per year for each year of service after five years.

Art. 11.6

To be changed from $1.00 to $1.50 for luncheon and from $1.25 to $1.75 for dinner.

Art. 8.1

Delete 60 days and insert 30 days.

8.2

Delete 60 days and insert 30 days.

Art. 21. ID Definition

Delete the word 'Experience'

A general increase of .35¢ per hr. over and above the $1.65 and adjustments of .50¢ per hr. for the following classifications:

(a) Engineers' Dept.	*All Classifications*
(b) Kitchen Dept.	*1st Cook, Asst. Cook*
(c) Bar Dept.	*Barman*
(d) Front Office	*Cashier and Telephone Operators*
(e) Laundry Dept.	*Washman*

MINORITY REPORT

I have read the report of the Conciliation Board in the above case and I concur fully with the report with the exception of item seven (7) of the recommendations and I submit the following replacement:

7. I recommend the following wage increases over the life of a twenty-four month agreement: a 15¢ per hour increase effective October 1, 1970 (full retroactivity); a 15¢ per hour increase effective October 1, 1971. Further, it is recommended that both parties investigate the desirability of introducing a job classification program in the Hotel.

The reason for recommending the above is simply that I prefer all workers to be above the income poverty level which is recognized by the powers of our state.

St. John's, May 18, 1971

(Sgd.) William A. Parsons
Nominee.

CANADA LABOUR RELATIONS BOARD

Reasons for Judgment in Applications for Certification Affecting

1. Transport Drivers, Warehousemen and Helpers' Union, Local 106 of the International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers of America (Applicant)

and

Voyageur (1969) Inc. (Respondent

and

Syndicat des Chauffeurs de Voyageur Provincial (Intervener)

and

Canadian Brotherhood of Railway, Transport and General Workers (Intervener)

2. Syndicat des Chauffeurs de Voyageur Provincial (Applicant)

and

Voyageur (1969) Inc. (Respondent)

and

Transport Drivers, Warehousemen and Helpers' Union, Local 106 of the International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers of America (Intervener)

and

Canadian Brotherhood of Railway, Transport and General Workers (Intervener)

The Board consisted of A. H. Brown, Chairman, and E.R. Complin, J. A. D'Aoust, Jacques Guilbault, A. J. Hills and Gérard Picard, Members. The Judgment of the Board was delivered by the Chairman.

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1. These are two counter applications for certification of the applicant in each case as bargaining agent for the same unit of employees of Voyageur 1969. Under Application No. One dated November 30, 1970, Local 106, a trade union, has applied to this Board to be certified as bargaining agent for a unit consisting of all employees of Voyageur 1969 working as drivers. The Syndicat, another trade union, has intervened to oppose the application on the grounds shortly that the majority of employees in the proposed bargaining unit are members in good standing of the Syndicat and are represented by the Syndicat as their bargaining agent.

Under Application No. Two dated January 11, 1971, the Syndicat has applied to the Board to be certified as bargaining agent for the same unit of employees of Voyageur 1969 for which Local 106 has applied to be certified under Application No. One, namely all employees of Voyageur 1969 working as drivers. Local 106 has intervened to oppose this application on the ground inter alia that the Syndicat did not have a majority of employees in the proposed unit as members in good standing at the date of the application.

The CBRT, another trade union, contends that the drivers of Voyageur 1969 employed in its Abitibi division should be excluded from the system-wide bargaining unit of drivers for which each of Local 106 and the Syndicat seeks certification as bargaining agent, on the ground shortly that the drivers in the Abitibi division are part of a long established bargaining unit composed of all the drivers and maintenance mechanics employed by Voyageur 1969 in its Abitibi division which has been represented by the CBRT up to this time as bargaining agent under a collective agreement entered into between CBRT and Abitibi Provincial Inc., an interprovincial bus line undertaking, which agreement Voyageur 1969 has assumed as employer in place of Abitibi Provincial Inc. following upon the absorption and take over of the bus line operations and undertaking of Abitibi Provincial Inc. by Voyageur 1969 as from the date of such take over in January 1970.

2. A hearing was held by the Board on these two applications on March 1, 1971, at which all parties listed above were represented and presented evidence and argument. According to the evidence, Voyageur 1969 which carries on an interprovincial and intraprovincial road transport undertaking and business for the transportation of passengers by autobus on scheduled bus line routes was established as of January 1, 1970, for the end purpose of the consolidation and incorporation in one transportation undertaking of the operations of the following companies, among others, having a common ownership and engaged in road transportation operations for transportation of passengers by autobus on various bus line routes within and extending beyond the boundaries of the Province of Québec, namely: (a) Voyageur Provincial Inc., (b) Voyageur Québec Inc., and (c) Abitibi Provincial Inc. Prior to such consolidation, Voyageur Provincial Inc. had operated on bus line transportation routes between Montréal and Québec City, Qué., between Montréal-Sherbrooke, Qué., and Newport, U.S.A., between Montréal and Mont-Laurier, Qué., between Montréal, Qué., and Ottawa, Ont. via Hull, Qué., between Sherbrooke and Québec City via Victoriaville, Qué., and including intermediate points on these routes. Voyageur Québec Inc. had operated similarly on bus line transportation routes between Montréal and Rivière du Loup, Qué., between Québec City and Rivière du Loup, Qué., between Québec City and Chicoutimi, Qué., between Rivière du Loup, Qué., and Edmundston, N.B., between Québec City and Sherbrooke via Thetford Mines, Qué., and between Rivière du Loup and points in the Gaspé area. Abitibi Provincial Inc. had operated bus line transportation routes serving Montréal, Val d'Or, Rouyn, Qué., North Bay, Kirkland Lake, Ont., Chibougamau, Qué., and intermediate points along these routes. As from January 1, 1970, Voyageur 1969 acquired, with the approval

of the appropriate provincial and other route licensing authorities, the road transport bus line route licenses required for the carrying on of these bus line transportation operations. In June 1970, Voyageur 1969 acquired by purchase from La Compagnie Carier Frères Ltée. its bus line transportation undertaking on routes between Montréal and Roberval, Qué., between Shawinigan and Québec City, Qué., and between Louiseville and Ste-Anne de la Pérade, Qué., and received from the appropriate route licensing authority the route licenses required for its transport operations on these routes. The operations of Voyageur 1969 on the road transportation routes which it has thus taken over and for which it holds route licenses have been consolidated and incorporated by Voyageur 1969 into an integrated and interlocking road transportation undertaking for passenger transportation by autobus extending beyond the boundaries of the Province of Québec to points in the Provinces of New Brunswick and Ontario and the United States. In the take over of January 1, 1970, and the subsequent acquisition of the other bus line routes referred to above, the bus drivers employed upon the bus line transportation routes taken over by Voyageur 1969 were taken into the employ of Voyageur 1969, and Voyageur 1969 was substituted as the employer under the collective agreements in force at the time of the take over covering such drivers and the obligations of the employer thereunder.

3. On Voyageur 1969 payroll lists of employees, the drivers covered by the two applications are shown under regional groupings as follows: Montréal, Québec, Shawinigan, and Abitibi. The maintenance work required for the maintenance of the vehicles used by Voyageur 1969 in its transportation undertaking is provided by a separate company except in Voyageur 1969 operations in the Abitibi region. The situation in the Abitibi region is that prior to the take over by Voyageur 1969 of the operations of Abitibi Provincial Inc., this latter company provided maintenance for its own vehicles with its own staff of mechanics. These mechanics were included in a single bargaining unit of drivers and mechanics employed by Abitibi Provincial Inc. for which the CBRT was certified as bargaining agent by an order of certification issued by this Board in April 1949. This unit has been covered by a collective agreement entered into between Abitibi Provincial Inc. and the CBRT which was in effect at the date of the take over of the undertaking and employees of Abitibi Provincial Inc. by Voyageur 1969 on January 1, 1970. Following such take over the provisions of the said collective agreement which carries an expiry date of September 30, 1971, have by agreement of Voyageur 1969 and the CBRT been continued in effect as applicable to the drivers and mechanics employed by Voyageur 1969 in its Abitibi regional operations with Voyageur 1969 substituted as a party to the agreement in place of Abitibi Provincial Inc.

4. The Board is of opinion that a unit consisting of all drivers employed by Voyageur 1969 is appropriate for collective bargaining excluding (a) drivers shown on the payroll list of the company as recall drivers whom the Board is of opinion are casual employees and as such not appropriate for inclusion in the unit, and (b) the drivers shown on the company's Abitibi region payroll. The decision for the exclusion set forth in (b) above has been made taking into consideration that the Abitibi group thus excluded is the only established unit in the Voyageur 1969 transportation undertaking comprised of both drivers and mechanics. The breakup of this long established unit by the inclusion of the drivers therein in the system-wide bargaining unit sought for in the present applications does not appear to be warranted at this time in the opinion of the Board. The Board observes that the drivers and mechanics covered by exclusion (b) are unanimous in their opposition to breakup of the present unit of which they are a part and in their support of their present bargaining agent, and neither of the applicants under Applications No. One or No. Two claim any membership in this group. Neither Voyageur 1969 nor the Syndicat has taken a stand on this issue but Local 106 has seriously opposed the exclusion of the Abitibi region drivers from the unit applied for. The Board is of opinion that the Voyageur 1969 operations as a whole constitute an undertaking extending beyond the limits of the Province of Québec and that the unit of employees of Voyageur 1969 which the Board has found to be appropriate for collective bargaining are employed upon or in connection with this undertaking. The Board is of opinion that this undertaking is one to which the provisions of Part I of the Industrial Relations and Disputes Investigation Act applies (see section 53 of the said Act, and the decision of the Ontario C.A. in Re Tank Truck (1963) 36 DLR 636 affirming the decision of McLennan J. reported in 61 CLLC para. 15335).

5. In the case of Application No. One, the applicant Local 106 has not represented previously any group of drivers within the transportation undertaking of Voyageur 1969. Based upon the report of the Board's Investigating Officer following upon his check of the payroll records of Voyageur 1969 as at the date of the application and the membership records of Local 106, the Board finds that a majority of drivers in the employ of Voyageur 1969 in the bargaining unit which the Board has found appropriate are members in good standing of Local 106.

6. A number of issues have been raised in connection with Application No. Two. According to the evidence, the history of the Syndicat is as follows: the Syndicat was initially founded and its constitution adopted under the name of the Syndicat des Employés du Transport Provincial in 1964. It was certified by the Québec Labour Relations Board on December 22, 1964, as bargaining agent for a unit of bus drivers in the employ of La Compagnie de Transport Provinciale operating separately or through its subsidiaries, Métropolitain Provincial Inc. or Voyageur Provincial Inc. An amending certificate was issued December 5, 1968, by the Quebéc Labour Relations Board substituting as the name of the employer in the order of certification, the name 'Voyageur Provincial Inc.'. Le Syndicat des Employés du Transport Provincial held a collective agreement covering drivers employed by Voyageur Provincial Inc., Montréal, Qué., effective from December 17, 1968 to December 31, 1970, and a collective agreement covering drivers employed by Voyageur Québec Inc., Québec, Qué., effective from April 21, 1969 to February 28, 1971, both of which provided for check-off of union membership dues to that Syndicat. At a meeting of the members of that Syndicat held on October 21, 1969, the name of the Syndicat was changed to that of the 'Syndicat des Chauffeurs de Voyageur Provincial' and a revised constitution adopted. In the opinion of the Board, the proceedings of October 21, 1969, did not bring into existence a new union but simply provided for the continued existence and operation of the same Syndicat under the new name and a revised constitution and the collective agreements negotiated in the former name of Le Syndicat des Employés du Transport Provincial were continued in full force and effect with the substitution later as of January 1, 1970, of Voyageur 1969 as the employer under these collective agreements. The Syndicat relies on its membership records and the union dues check-offs given effect to under these collective agreements as establishing membership in good standing as regards the employees covered by the said collective agreements. These agreements

cover the Montréal and Québec City based drivers employed by Voyageur 1969 who comprise the majority of employees in the unit which the Board has found appropriate for collective bargaining. The evidence is that these union dues check-offs were continued in effect for the pay period of the employees covered thereby to December 31, 1970, for the Montréal based employees and to February 28, 1971, for the Québec City based employees.

In the result, based upon the report of the Board's Investigating Officer following his check of the payroll records of Voyageur 1969 and the membership records of the Syndicat at the date of the application and the evidence at the hearing, the Board finds that the Syndicat had a majority of employees in the bargaining unit as at that date as members in good standing.

7. At the hearing, Local 106 tendered in evidence a number of photostatic copies of signed statements, the originals of which according to the evidence submitted by Local 106 were secured from drivers in the bargaining unit, each statement being worded in identical language and reading as follows (translation):

> 'I, the undersigned, hereby advise you that I am withdrawing from the bargaining unit represented by Le Syndicat des Employés du Transport Provincial (C.S.N.) Section Chauffeurs Division Voyageurs hereinafter called LE SYNDICAT, and at the same time notify my employer to no longer deduct from my salary the union dues for Le Syndicat mentioned above.
>
> In witness whereof I have signed:.....
>
> Witness:' .....

The statements thus tendered in evidence subject to the objections of counsel for the Syndicat appear to have been submitted to Voyageur 1969 by Local 106 at a time or times shortly preceding or shortly after the end of December 1970, but copies thereof were never forwarded to the Syndicat nor did the Syndicat receive notice or have knowledge thereof prior to the hearing on the applications on March 1, 1971. In any event, no action was taken discontinuing any individual check-offs referred to in such statements nor were the amounts of union membership fees so checked off withheld by the employer from the Syndicat for any work period prior to the end of December 1970. Whether or not the employer had the authority to act on the individual requests for termination of check-off so presented under the check-off provisions of the collective agreements involved was not made clear in the evidence given to the Board. It does appear evident to the Board that the procedure followed by Local 106 in its union organization campaign preceding the date of the application for certification in signing up employees as union members was to endeavour to secure at the same time the employee's signature to a revocation of dues check-off statement in the form set forth above. In all the circumstances which have been referred to, the Board considers the payments of union dues received by the Syndicat under check-off from Voyageur 1969 with respect to the drivers in the bargaining unit claimed as members by the Syndicat as acceptable evidence of the payment of union dues to the Syndicat in the determination of union membership in good standing under the provisions of the Industrial Relations and Disputes Investigation Act.

In any event, even if full weight were to be given to the statements tendered, the Board would nevertheless in the circumstances of the case of Application No. One consider it advisable to order a vote by secret ballot of the employees in the bargaining unit found appropriate by the Board with the names of Local 106 and the Syndicat on the ballot in the exercise of its discretion under Section 9(1) of the Act to determine the wishes of these employees as to the selection of a bargaining agent in view of the fact that the Syndicat had up to the date of Application No. One represented the majority of employees in the bargaining unit as their bargaining agent.

8. The Board directs that a vote by secret ballot be taken under the direction of the Chief Executive Officer of the Board of the employees in the bargaining unit which the Board has found to be appropriate for collective bargaining with the names of both Local 106 and the Syndicat on the ballot in order to ascertain the wishes of the employees in the unit as to the selection of a bargaining agent to act on their behalf.

(Sgd.) A. H. Brown,
Chairman
for the majority of the Board.

Dissenting opinion of Mr. Jacques Guilbault

While otherwise concurring in the decisions made herein, I dissent in respect of the finding as to the unit of employees appropriate for collective bargaining. It is my opinion that the appropriate bargaining unit should comprise a system-wide unit of drivers employed by Voyageur 1969 and should not exclude the drivers in the company's Abitibi division.

Jacques Guilbault,
Member of the Board

Reasons for Judgment in Application for Certification Affecting
Letter Carriers' Union of Canada (Applicant)
and
Jessiman Bros. Cartage Ltd. (Respondent)

The Board consisted of J. J. Quinlan, Q.C., Vice-Chairman and Acting Chairman, and E. R. Complin, J. A. D'Aoust, Kenneth Hallsworth, A. J. Hills and Gérard Picard, Members. The Judgment of the Board was delivered by the Vice-Chairman and Acting Chairman.

The Applicant applies to be certified as bargaining agent for a unit of employees of the Respondent which handles mail matter for the Winnipeg Post Office. The unit might be described in more detail as employees of Jessiman Bros. Cartage Ltd., employed at Winnipeg, Manitoba, and classified as truck drivers and sorters who are engaged in the performance of the company's contracts with the Canada Post Office Department for the conveyance of Her Majesty's mails in the service known as the Winnipeg, Manitoba, Post Office Combined Urban Service, excluding truck drivers (who are not so engaged on Canada Post Office contracts), mechanic, helper, office manager, dispatcher, supervisor, maintenance supervisor, assistant supervisor, steno-receptionist, cashier, custodian, and owner driver. According to the Board's investigating officer, there were 76 employees in the proposed bargaining unit engaged in the performance of the Respondent's contract with the Canada Post Office Department as of the date of the application, December 29, 1969. On the evidence, additional employees having the necessary security clearance are also employed regularly or from time to time for such purpose, in order to meet peak demands of the postal service.

The Respondent is a Manitoba corporation engaged in contract delivery and general cartage in the Metropolitan Winnipeg area and has eighteen contracts with a number of retail and wholesale establishments and a contract with the Government of Canada Post Office Department for collection and transportation of mail in the Metropolitan Winnipeg area. The vehicles used in its cartage business, including those used in fulfilling the contract with the Post Office Department, are owned and maintained by the Respondent. It employs approximately 300 drivers of whom approximately one-third are employed in its Postal Division for fulfilling the contract with the Post Office Department, the remaining two-thirds being in the Cartage Division. It was stated that the Post Office contract does not represent one-third of its volume of business but more employees are required in this respect because of the time length of the operation, for example, mail box clearance schedules which are carried on throughout the week. All persons engaged in the postal operation, general commercial contract delivery and general cartage are employees of the Respondent.

Vehicles used in the business are garaged at various locations throughout Winnipeg, those engaged in the postal operation being garaged in close proximity to the Winnipeg Post Office, 266 Graham Avenue (this garage bearing the Company name and the words 'Postal Division') although it is stated other vehicles of the Respondent are also garaged there. The principal garage where all normal maintenance is carried out, however, is at the same location as the head office of the Respondent. Vehicles used in commercial contract work are identified on the exterior with the company with whom the contract exists by use of what is described as that company's logo.

The employees in the Postal Division of the Respondent are basically full-time employees and there appears to be little switching from one Division to another. Occasionally an employee of the Postal Division may work in the Cartage Division on one of his days off, but there appears to be even a more limited interchangeability from the Cartage Division to the Postal Division, presumably because of the requirements to be completed by the employee before working in the latter. If he does work in the Cartage Division, a Postal Division employee is not permitted to wear his postal uniform.

Employees working for the Postal Division must wear a particular uniform, tunic and trousers, and a cap equipped with Post Office badge, have been fingerprinted, and obtain security clearance and operate according to the instructions contained in the Post Office Manual of Instructions to City Services Contractors and Couriers, take an Oath of Office in the prescribed form, and carry a Canada Post Office Permit. The type of work carried on by these mail couriers involves such matters as delivery of special delivery letters, clearance of street letter boxes and delivery of letter carrier relay bundles to green metal pick-up boxes throughout the City, delivery of parcel post, etc. The foregoing Manual contains detailed instructions with respect to handling Street Letter Box Service, Letter Carrier Bundle Delivery, Parcel Post Delivery, Registered Mail and Special Delivery. For example, paragraph 34 provides:

> 'Each box on the route must be collected in the order outlined in the detail of travel and no deviation from this line of travel will be permitted unless detours are necessary.'

The Manual also contains general instructions pertaining to such matters as behaviour, appearance, carrying out postal supervisor's instructions, adherence to traffic regulations, security, and collection of postage due charges.

So far as hiring of employees is concerned, they are all hired on the same basis by the Respondent and assigned by it to a particular Division. By the contract with the Postal Department, there are certain standards which employees in the Postal Division must meet but the Vice-president of the Respondent stated that this is the standard for hiring of any drivers by the Company and allocation to a particular Division depends upon the Respondent's requirements. Also, regardless of Division to which assigned, all drivers are bonded.

In the contract between the Respondent and Post Office Department there are a number of provisions to which reference should be made, most of which Counsel for the Applicant and for the Respondent considered relevant to their argument. The contract effective July 1, 1968, and expiring June 30, 1972, is entitled 'For The Conveyance of Her Majesty's Mails' and provides that the Contractor engages

> 'to convey or cause to be conveyed Her Majesty's Mails on the service known as
>
> WINNIPEG, MANITOBA POST OFFICE COMBINED URBAN SERVICE (DELIVERY OF PARCEL POST, SPECIAL DELIVERY ITEMS, AND

LETTER CARRIER BUNDLES AND CLEARANCE OF MAILS FROM OFFICIAL MAIL RECEPTACLES AND POSTAL ESTABLISHMENTS)

as required in the manner and under the stipulations hereinafter set forth in this contract.'

The specific paragraphs of the Contract above referred to are as follows:

'**2.** .To provide first class vehicles with drivers to be sworn in as may be required, for the performance of this service.

8. To provide for the protection of the said mails whilst en route from the weather or other causes of damage and from dangers and loss of every kind, and except at such times as they may be under examination by a Postal Official to keep the mails constantly in his own custody or in the custody of the couriers employed by him.

9. To conform to regulations laid down by the Post Office Department pertaining to the protection and safeguarding of keys for Postal equipment or premises, which may be required by him or his couriers for the performance of this service.

The loss of such keys is regarded as a very serious matter and the Contractor shall be held liable and subjected to a penalty in each case. In case of repeated offences the contract may be cancelled.

13. To provide time books approved by the Post Office Department in which the couriers shall record the hours worked each day in connection with this contract; and the contractor agrees to produce these books for inspection when requested by Post Office officials.

15. To provide sober, steady and honest men as mail couriers and that no person so employed shall be under the age of eighteen years. Also that while on duty or in uniform these couriers, if found to be guilty of conduct such as will bring discredit to the Postal Service, may be dismissed.

16. To employ as couriers only such men as are acceptable to the Postmaster, whose judgement shall, without assuming any liability personally or on behalf of the Postmaster General, be final as to the suitability or fitness of the men for the work required of them and to whom satisfactory references and testimonials as to character must be submitted by them.

17. To have a sufficient number of substitute couriers, acceptable to the Postmaster and possessing the proper credentials as to fitness for the work required of them, to replace regular couriers who may be unable to take duty at any time owing to illness or for other reasons.

19. To issue a Manual of Instructions (Book 81) to every courier at the time he enters the service.

21. The routes to be pursued in the conveyance of the mails are indicated in the Schedules provided, which are subject to such changes as the Postmaster General may consider necessary. The rate of travel shall be consistent with public safety and local by-laws relating to street traffic.

22. Covered, closed and locked vehicles shall be used for all services required in connection with this contract. The vehicles shall be of a design approved by the Postmaster General or such officer as he may designate.

23. Where vehicles are used exclusively on mail service work the Contractor agrees to provide the necessary approved vehicles painted red 'English Vermilion' with 'Royal Arms' and approved insignia in gold letters thereon. The vehicles' state of repair and cleanliness and painting shall be approved absolutely by the Postmaster General or such officer as he may designate.

24. Where vehicles are used only part-time on mail service work the Contractor agrees to provide removable placards with the 'Royal Arms' and approved insignia in gold letters thereon for use on the vehicles when engaged in the mail service. Immediately on completion of the mail service the placards must be removed.

27. The contractor or his couriers must not allow any person to ride on any of the vehicles used in the conveyance of the mails, except those authorized by this Contract or those who are learning the duties of a courier.

28. The contractor and his employees engaged in the transfer or handling of mail shall take the Oath of Office.

29. The Contractor or his couriers must report immediately, to a designated Postal Employee, all irregularities such as failure to clear the Letter Boxes or Parcel Receptacles, faulty working of locks, damage to such boxes and all and sundry matters affecting the efficiency of this service.

31. Couriers must have in their possession while on duty the 'Courier's Permit' card issued by the Postmaster which they must produce when requested to do so by an authorized officer of the Department.

32. Upon a courier leaving his service he will immediately recall the official uniform badge, keys and all other Post Office equipment in the courier's possession together with the Manual of Instructions (Book 81) and the 'Courier's Permit' card which the contractor shall immediately deliver to the Postmaster accompanied by a notification in writing on the back of the permit stating the date and reason for the termination of the courier's service.

33. Where vehicles are to be used exclusively on mail service work, the Contractor agrees to equip himself and/or his couriers with uniforms and caps to be worn while on duty. If the vehicles are to be used only part-time the courier need be supplied with a uniform cap only. Uniforms and uniform caps shall be supplied by the contractor at no expense to the Post Office Department.

34. No intoxicating liquors, excepting such as may be in lawful transit, shall be transported from one point to another on the route during the performance of mail service.

35. The remuneration paid by the contractor to his mail truck drivers shall not be less than [amount specified] per hour, which is the wage rate on which this contract is executed. A change may be made in the contract rate based on any increase or decrease in wages the Contractor is required to pay truck drivers engaged in the performance of the service subject to the approval of the Postmaster General.

35-A. It is understood and agreed that the contractor shall, when instructed to do so by a postal official, furnish an affidavit to the effect that he shall pay his couriers at the rate stipulated.'

At an early stage in this matter the Respondent submitted that the Board could not deal with this application in that it had breached its Rules of Procedure in permitting the Applicant to withdraw an application of July 30, 1969, without imposition of a six-months' bar to a new application and was therefore also in breach of its Rules of Procedure in processing the current application. It also was submitted that the Board had denied the Respondent natural justice in not granting a hearing to the Respondent before permitting withdrawal of the July 30, 1969, application. Following a hearing on April 14, 1970, at which argument was submitted on behalf of the

Applicant and Respondent, the Board, in written reasons delivered on May 5, 1970, held that it had not breached its Rules of Procedure in respect of either application, that there was no denial of natural justice and that the present application was properly before it and directed that the hearing of the application on the merits proceed. The hearing on the merits was subsequently fixed for June 9, 1970, and written notice to this effect was given to the parties and their Counsel. Prior to this date, however, the Respondent instituted proceedings by an application by way of a motion in the Manitoba Court of Queen's Bench for an Order of prohibition and of *certiorari* arising out of the foregoing matters. The Board therefore decided that it would not be proper to proceed with a hearing on the merits while these matters were before the Court.

On July 10, 1970, Mr. Justice Deniset in an oral judgment dismissed the motion. An appeal was taken by the Respondent to the Manitoba Court of Appeal. In a written judgment delivered by the Chief Justice of Manitoba on January 18, 1971, the appeal was dismissed.

On January 20, 1971, the parties and their Counsel were advised by letter by the Chief Executive Officer of the Board that a hearing of the application on the merits would be held on Monday, February 15, 1971. On Friday, February 12, 1971, at approximately 4.00 p.m., the Chief Executive Officer received a telegram from Counsel for the Respondent reading as follows:

> 'I apologize for my delay in acknowledging your letter dated January 20/71 with reference to Jessiman Bros. Cartage Ltd. As indicated earlier the position of our client is that the question of the jurisdiction of the Canada Labour Relations Board should be clarified prior to a hearing on the merits.
>
> The undersigned will be representing Jessiman Bros. Cartage Ltd. along with Ian L. Jessiman as Associate Counsel. Possibly an officer of Jessiman Bros. will be called for the purposes of giving evidence pertaining solely to the question of jurisdiction of the Canada Labour Relations Board. With deference I will not be prepared to argue the merits of the case during the hearing scheduled for Monday Feb. 15 next.'

The Chief Executive Officer immediately replied by telegram as follows:

> 'Have just received your wire this date with reference to the position of your client Jessiman Bros. Cartage Ltd. as to the hearing in application for certification fixed for Monday February 15 Stop Would refer you to my registered letter of January 20 adivising that Board will hear the parties concerned on the merits of the application for certification, which letter was sent pursuant to instructions of the Board.'

At the opening of the hearing on February 15, reference was made to the above exchange of telegrams and Counsel for the Respondent submitted argument in support of his contention that the hearing should proceed only on the jurisdictional issue to which Counsel for the Applicant replied submitting that the hearing should proceed both on the jurisdictional issue and the merits. It was the view of the Board that there apparently would be overlapping in the evidence directed to both issues to which Counsel for the Applicant subscribed and stated that this most certainly would apply to the evidence which he proposed to lead. Counsel for the Respondent conceded that there would be some overlapping but urged that the jurisdictional issue was of such importance that the Board should deal with this and if the Board decided it had jurisdiction, then a later hearing on the merits could follow, or the Respondent could institute proceedings to have the jurisdictional issue determined by the Courts; similarly, if the Board decided it did not have jurisdiction, then the Applicant could institute such proceedings. The Board then adjourned briefly to consider the submissions of Counsel.

After the Board had considered the matter, Counsel were advised that the Board proposed to proceed with a full hearing on the question of jurisdiction and the merits. While there is judicial authority for proceeding either on a question of jurisdiction or any other question of strict law alone *(Regina v. Ontario Labour Relations Board ex parte Ontario Food Terminal Board [1963]* 2 O.R.91), there is also authority for proceeding as the Board proposed *(Northern Electric Co. Ltd. v. L.R.B. (Ont.) et al* (1970) 70 CLLC 14,016). It has been the invariable practice of the Board to proceed in this manner and the Courts have not criticized such procedure in cases which have come before them. As the Board interpreted the decision of the Manitoba Court of Appeal *(supra)* it should now proceed to dispose of this case although of course its decision on the jurisdictional question would be subject to review by the Courts. Moreover, ample notice had been given to the parties of the Board's intention to proceed in this manner so that neither was taken by surprise. However, since Counsel for the Respondent in the course of argument had stated to the Board that the Respondent had not yet decided whether or not to appeal the decision of the Manitoba Court of Appeal to the Supreme Court of Canada, the Board stated it would reserve any decision on the case as a whole, including the question of jurisdiction, until the time for such appeal had expired if, in the meantime, an appeal had not been taken.

Counsel for the Respondent then stated that he proposed to submit evidence only on the question of jurisdiction and did not propose to cross-examine witnesses testifying on behalf of the Applicant and he maintained this position throughout the hearing although given the opportunity to cross-examine such witnesses. Following the hearing of evidence, Counsel for the Applicant submitted argument on both the question of jurisdiction and the merits while Counsel for the Respondent submitted argument on jurisdiction but not on the merits although, as mentioned above, no restriction was imposed upon him in this respect.

On the question of jurisdiction, Counsel for the Applicant submitted that federal jurisdiction over postal services exists by virtue of section 91(5) of the *British North America Act,* and postal services thereby came under section 53(h) of the *Industrial Relations and Disputes Investigation Act* (I.R.D.I. Act) as being 'any work, undertaking or business outside the exclusive legislative authority of the legislature of any province'. Granted this, his submission on the evidence was that the employees in the Postal Division were engaged in the postal service and if the proposed bargaining unit were appropriate, the Applicant was entitled to certification.

Counsel for the Respondent submitted that its employees could not by virtue of the contract between the Post Office Department and the Respondent, which was a Manitoba company operating entirely within the Province, pursuant to which they were required to perform certain duties, be brought within the provisions of the I.R.D.I. Act; that these employees were not employees of the Post Office Department but of the Respondent; that there was no question of federal licensing and that the Respondent was subject to Manitoba law. Under the *Post Office Act,* R.S.C. 1952, C. 212, the phrase 'postal employees' does not include employees of mail contractors and therefore the latter are not employees within

the purview of the I.R.D.I. Act. His submission was further that labour relations is basically a matter within section 92 (10) and (11) of the British North America Act and if it were intended to bring employees within federal jurisdiction by virtue of their being engaged in fulfilment of a contract, to which they were not a party, by their employer with the Post Office Department under which the employer had made certain covenants, much clearer language than that contained in section 53 of the I.R.D.I. Act was necessary. In other words, the applicability of Manitoba labour legislation to these employees could not be negated by the Post Office contract. To adopt any other approach raised the question of how a line could be drawn except in arbitrary fashion since employees of independent contractors in a number of fields were employed in fulfilling federal government contracts in the provinces, such as in the field of construction, services, manufacturing, etc., and these were not within the purview of the Act.

While the question of jurisdiction was argued before the Manitoba Courts, they did not consider in the circumstances of the case that it was appropriate to decide the issue but that it was the responsibility of the Board to do so after hearing evidence and argument although, as stated earlier, any decision by the Board in this respect would be subject to review. As Deniset, J. stated, however, if these employees are employed in the postal service under section 91 (5) of the British North America Act, then the Board has jurisdiction. (See also *Reference re Minimum Wage Act of Saskatchewan* [*1948*] S.C.R. 248.) In other words, if they are so engaged, it is clear that pursuant to section 53(h) they come within the purview of the I.R.D.I. Act.

There is no question that the employees of the Respondent engaged in its Postal Division are not 'postal employees' within the meaning of the Post Office Act since they are expressly excluded from this designation by section 2 (1). The following provisions of that Act, however, are relevant to consideration of this matter:

> Section 5 (l) (k) and (o) provides that the Postmaster General shall administer, superintend and manage the Canada Post Office and, without restricting the generality of the foregoing, may require any person to give security for the due performance of duties in any matter relating to the Post Office by any one performing the business of the Post Office and enter into and enforce contracts relating to the conveyance of mail or to any other business of the Post Office.
> Section 6(n) which, in authorizing the Postmaster General to make regulations for the efficient operation of the Post Office and for carrying the purposes and provisions of the Act into effect, provides that, without restricting the generality of the foregoing, he may require not only postal employees but mail contractors and their employees to take the oath of office. Sections 22 and 23, which deal with the authority of the Postmaster General to enter into contracts for conveying mail, set out procedures to be followed in so doing.
> Section 46 authorizes the Postmaster General to designate an officer employed in the Post Office to investigate and report upon the state and management of the business or any part of the business of the Post Office and the conduct of any postal employee or mail contractor so far as it relates to his official duties.

The Mail Receptacle Regulations, SOR/66-42 (Canada Gazette, Part II, January 26, 1966, p. 116), enacted under the authority of the Act, define 'post office representative' as meaning not only a postal employee but also 'a mail contractor, the employee...of a mail contractor and any other person authorized by the Postmaster General to perform a post office function'. Also, the Post Office Oaths Regulations, SOR/68-496 (Canada Gazette, Part II, November 13, 1968, p. 1417) provide for taking and subscribing the oaths specified not only by postal employees, whether or not so defined as such in the Public Service Employment Act, but also for the taking of an oath of office by mail contractors and every employee of a mail contractor.

In determining whether or not the employees engaged in the unit applied for come within the purview of the I.R.D.I. Act, the basic issue is whether the services of the Respondent under the mail contract is an integral part of the postal service of Canada. In this respect, regard should be had to the decision of the Supreme Court of Canada *In The Matter of a Reference as to the Applicability of the Minimum Wage of Saskatchewan to an Employee of a Revenue Post Office (supra)* which is the leading case on the subject. While the definition section differed from that in the present Post Office Act in that it provided that the phrase " 'employed in the Canada Post Office' applies to any person employed in any business of the Post Office of Canada" and the case did not relate to mail contractors, it nonetheless provides direct authority and guidance in determining the present situation. The facts and the decision are summarized in the headnote as follows:

> '*Mrs. Graham,* postmistress of a revenue Post Office at Maple Creek, Saskatchewan, engaged temporarily one Leo Fleming to work in the Post Office exclusively in connection with the work of the Post Office. The postmistress was prosecuted under the Saskatchwan Minimum Wage Act for paying to Fleming an amount less than the minimum wages prescribed by an Order made under the Act. Her conviction for violation of the Act was affirmed by the Court of Appeal. As the case was not appealable to the Supreme Court of Canada the Governor-in-Council referred the matter to the Court under section 55 of the Supreme Court Act.
>
> *Held:* The employee became employed in the business of the Post Office of Canada and therefore part of the Postal Service. His wages were, as such, within the exclusive legislative field of the Parliament of Canada and any encroachment by provincial legislation on that subject, must be looked upon as being ultra vires, whether or not Parliament has or has not dealt with the subject by legislation.
>
> *Held:* It is not competent to a provincial legislature to legislate as to hours of labour and wages of Dominion servants.'

In his judgment Mr. Justice Taschereau (as he then was) said at pages 256-257:

> 'It is submitted on behalf of the Attorney General of Canada that Mrs. Graham and Fleming were at all relevant times, *in the Postal Service* of Canada which is within the exclusive legislative jurisdiction of Parliament, and that as a consequence, the *Minimum Wage Act* of Saskatchewan can have no application, and further that Mrs. Graham employed Fleming in the course of her employment as a servant of His Majesty and the *Minimum Wage Act* of Saskatchewan is not expressed to be binding on His Majesty.
>
> It is common ground that Fleming was appointed

assistant and was paid by Mrs. Graham, but I do not think that this can affect the issue. Although paid in such a way, it remains that Fleming was in the 'Postal Service'. He was a part of the organization created by Parliament to handle mail, and he was also, as section 2 para. (c) of the Act says, 'a person employed in any business of the Post Office of Canada'.'

Mr. Justice Rand, in delivering the judgment of himself and Mr. Justice Locke, at pages 259-261 held:

'From the provisions of the *Post Office Act,* it seems to be clear that the staff of the postal service includes persons carrying out duties of the service who are not, in a direct contractual sense, employees of the Crown,

I take these provisions to envisage different classes of persons actually engaged in carrying on the work of the postal service. The *Act* provides for contracts for the conveyance of mail, and it may be that the relation created is that of independent contractor; but apart from that case, it would seem that every person participating immediately in the service comes within the language 'person employed in the Canada post office'.'

While the learned Judge at page 262 also said:

'....If the postmistress were not in the Civil Service, but had entered into a contract by which the postal work at Maple Creek could be said to have been farmed out to her as an independent contractor, it might be that any person taken on was engaged in her service. But here she is acting as a government employee; and as she has not undertaken to carry out personally all the postal work at Maple Creek, it cannot be said that the assistant is helping her to do her own work.'

he did not hold that an independent contractor is not an integral part of the postal service. In this respect, Mr. Justice Estey dealt with the interpretation of the phrase 'Postal Service' at pages 269-270 as follows:

'If, therefore, the said employment of Fleming was within the 'Postal Service' as that term is used in the *B.N.A. Act,* his employment was subject to Dominion legislation only.

The phrase 'Postal Service' does not appear to have been generally used prior to Confederation, but the business of the Post Office as then conducted, the use of the phrase 'Postal business and arrangements' in the *Post Office Act* (Can. 22 Vict., c.31, s.14 (16), indicates that the Imperial Parliament in adopting the phrase 'Postal Service', — a phrase of the widest import — in the *B.N.A. Act,* section 91 (5), intended that it should be construed as sufficiently comprehensive to include all the accommodations and facilities provided by the Post Office.'

and at page 271 he continued as follows:

'Whether Fleming by virtue of his employment was a member of the Civil Service, or just what may be his precise contractual position in relation to the department or the Postmaster General, we are not here concerned. It is sufficient for the determination of the present issue that he is employed in the Postal Service.

With great respect for those who entertain an opinion to the contrary, Fleming so employed was under and subject to the provisions of the Post Office authorities and was employed in the Postal Service and therefore within the exclusive legislative field of the Parliament of Canada.'

It is clear from the evidence cited that a very substantial degree of continuing control by the Post Office Department over the operations of the Respondent and its employees in so far as the operations of its Postal Division is concerned is provided for and extends from qualifications and final judgment in their hiring, detailed manner of carrying out their duties including security matters, their dress while on duty and rules of behaviour on duty, to provision for dismissal if their conduct is such as will bring discredit to the Postal Service. Although the Respondent may require similar qualifications and behaviour from its drivers employed in the Cartage Division, this does not in any way alter the extent of the control exercised by the Post Office Department. The Vice-president of the Respondent stated in evidence that there was no exercise of judgment by the Post Office Department so far as the hiring of employees is concerned and in fact there was in effect no dialogue between the Respondent and the Department; in other words, that, as a practical matter, little if any control was exercised by the Department. Nonetheless, the fact is that the power of control exists by legislation and by contract entered into pursuant to the legislation and can be exercised at any time the Department considers it necessary to do so. Furthermore, since this concerns Postal Services, the Provinces, in view of section 91(5) of the British North America Act, could not exercise such control.

The situation here differs substantially from that in fields such as construction, services, manufacturing, etc., referred to in argument by Counsel for the Respondent where employees of independent contractors engaged in fulfilling federal government contracts do not come within the purview of the I.R.D.I. Act. In such circumstances they are not normally engaged in matters exclusively within federal competence as in the case of postal services and different considerations therefore apply.

It is the conclusion of the Board that in the light of the evidence and the legislation that the Respondent and its employees in so far as the operation of its Postal Division is concerned are subject to the authority of the Post Office Department and are an integral part of the postal service of Canada and are therefore subject to the jurisdiction of the I.R.D.I. Act.

The Board finds in the circumstances that a vote by secret ballot should be taken under the direction of the Chief Executive Officer among the employees in the unit of employees affected, and so orders. The Board directs that the name of the Applicant, the Letter Carriers' Union of Canada, appear on the ballot, and that the list of those eligible to vote comprise employees of Jessiman Bros. Cartage Ltd. classified as truck drivers and sorters who are as of a date fourteen days prior to the taking of the vote in the employ of the Respondent and engaged in the performance of the employer's contract with the Canada Post Office Department for the conveyance of Her Majesty's mails in the service known as the Winnipeg, Manitoba, Post Office Combined Urban Service, including all such employees who performed services entitling them to remuneration for such employment in the two pay periods of the employer immediately preceding the above date for which the eligible list of voters is established, excluding those who,

although still employed by Jessiman Bros. Cartage Ltd., may, as of the above date for which the eligible list of voters is established, have had their Courier's Permit Card recalled or revoked.

(Sgd.) J. J. Quinlan,
Vice-Chairman and Acting Chairman for the Board

Dated at Ottawa, March 30, 1971.

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CONCILIATION BOARD REPORTS

together with

CLRB REASONS FOR JUDGMENT

No. 5, 1971

Conciliation Board Reports in disputes between:

Canadian National Hotels Limited (Nova Scotian Hotel) and Hotel and Restaurant Employees' and Bartenders' International Union, Local 662

Channel Seven Television Limited (CJAY-TV) and National Association of Broadcast Employees and Technicians

Reasons for Judgment in Application affecting:

Transport Drivers, Warehousemen and Helpers' Union, Local 106 of the International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers of America and Metropolitain Provincial (1967) Inc. and Syndicat des Employés Metropolitain Provincial (CSN)

CANADA DEPARTMENT OF LABOUR

Hon. Bryce Mackasey, Minister

J. D. Love, Deputy Minister

Report of Board of Conciliation and Investigation established to deal with dispute between:
Canadian National Hotels Limited (Nova Scotian Hotel)
and
Hotel and Restaurant Employees' and
Bartenders' International Union, Local 662

The Board was under the chairmanship of Judge Nathan Green, Q.C., of Halifax, appointed by the Minister of Labour on the joint recommendation of the other members of the Board, A. William Cox and Leo F. McKay, both of Halifax, who were previously appointed on the nomination of the company and union, respectively. The report was received by the Minister during June.

The Board held a series of meetings with the parties jointly as well as severally. The Employer was represented by P. A. McDiarmid, Esq., the System Labour Relations Officer of the Employer, and his committee, the Bargaining Agent was represented by Gerald J. Jollymore, Esq., and his committee. I regret to report that the Board has not succeeded in bringing the parties to an agreement.

The Union represents some 245 employees of the Hotel Nova Scotian certified as bargaining agent in March 1945. The present collective agreement ended on September 30, 1970. The parties met in September 1970 to explore the terms of a new agreement. The Union demands a total of 58 items. The Company sought five changes in the former agreement. These negotiations broke down. The Director of the Conciliation and Arbitration Branch, Department of Labour Canada, appointed a conciliation officer. He met with the parties in November 1970 and in January 1971. His meetings ended in negative results and he recommended the establishment of a Board of Conciliation.

A preliminary matter raised by the Union and the Employer centered on the federal minimum wage and jurisdiction. This Board cannot make any finding on this point and, for the record, states that it is a matter of law, to be decided on proper application to the Courts.

I do not propose to set forth the various positions and the considerable body of material filed by the parties in support of their respective positions. This material has been studied and the various arguments of the parties have been carefully considered. On that basis, I recommend that the parties conclude a two-year collective agreement in the same terms as are set out in the last agreement, subject to the alterations, additions and deletions which may be necessary to give effect to the following terms.

(1) The term of the agreement shall be two years, commencing October 1, 1970, and terminating September 30, 1972.

(2) Those matters which had been agreed to before the conciliation officer shall form part of the new agreement.

(3) Article 6 (6) in the lapsed agreement shall be amended by the addition of the words 'provided however that such permission shall not be unreasonably withheld.'

(4) Article 7 (7) in the lapsed agreement shall be amended by deleting the words 'or three' in the first line, and deleting 'five (5)' and substituting therefor 'ten (10).'

(5) Article 8 (6) in the lapsed agreement shall be amended by substituting $1.50 in place of $1.35 on Luncheon Functions and substituting $1.75 in place of $1.60 on Dinner Functions.

(6) Article 11 of the lapsed agreement shall be amended by adding to 11. (1) 'Boxing Day.'

(7) Article 12 Vacation in the lapsed agreement shall be amended by altering subsection (1) to provide for fifteen working days' vacation with pay after ten years of continuous employment, and altering subsection (3) to provide for twenty working days' vacation with pay after eighteen years of continuous employment.

(8) Article 16 of the lapsed agreement shall be amended by adding thereto the following:

TRAINING DURING NORMAL WORKING HOURS

An employee required by the Company to take training during the normal working hours will be paid his regular rate of pay while training.

TRAINING OUTSIDE NORMAL WORKING HOURS

An employee required by the Company to take training outside his normal hours will be compensated at his regular rate of pay while in training.

VOLUNTARY TRAINING

Where training facilities are provided by the Company on a voluntary basis, an employee taking advantage of such training will not be compensated.

(9) Article 20 in the lapsed agreement shall be amended to provide the 'Benefit Plan of Employees of the Canadian Railways' shall be wholly paid for by the Company.

(10) Article 22 in the lapsed agreement shall be amended by the addition of 'father-in-law' and mother-in-law.'

(11) During negotiations the Union requested a specific policy concerning the present practice of two ten-minute rest periods during each shift. The evidence indicates that the practice now carried on is working satisfactorily. The Board considers the crystallization of this practice in writing as a detrimental factor to the employees and the source of conflict in the future. If it is insisted upon then it should be covered by the exchange of 'letters of understanding.'

(12) The classification of 'valet' should be transferred to the laundry service with retention of seniority. There should also be a provision in the new agreement which shall protect the valet as such, namely, that so long as valet services are performed by hotel staff, it shall be the valet and no one else who shall perform this service.

(13) There was a request that 'Room Clerks' be transferred from their present classification in the lapsed agreement to Schedule 'A', in accordance with the certification order. The Board was advised that Room Clerks were in the original order of certification. Subsequently, they were taken out by negotiation and moved into their present classification. The Union now wants them moved back. The certification order was not put into evidence, nor were the details of the 'negotiations' which resulted in the change given to the Board. Since the background is so cloudy, the matter is left to be determined by the certification order or an application to the Labour Relations Board to change the classification.

(14) Article 24 be amended by addition of the following clause:

When an employee is authorized by management to cash cheques, accept credit cards or food or beverage cheques, he will not be held responsible for any losses so long as he follows the hotel procedures in dealing with these matters.

(15) Wages. As a preamble to my recommendations on this item, I deem it material to recite certain relevant facts. The Employer proposed a wage settlement in accord with other settlements in effect across the nation and in the first instance not out of line with wages paid in similar industries *in this geographic area.* A further salient fact is significant, *i.e.,* this Employer had in general been paying a higher scale than the next largest hotel in this area.

During the period of these sittings the Union which represents these employees and who also represents the employees in a comparable industry, negotiated a two-year wage agreement of 30¢ over the period with a wage adjustment in some categories of an additional 10¢.

An analysis of the wage increase in that situation indicates 'a catching up' with the wages being paid by this Employer. If the principle of 'geographic parity' is a valid one, any wage package recommended in these circumstances must be something less than that negotiated with the comparable industry to which I have alluded together with an evaluation of the fringe benefits in respective collective agreements.

With this principle as a backdrop, I recommend a wage increase of 15¢ in year one and 10¢ in year two.

I have considered the request for 'wage adjustments' for a number of categories. A comparison of wages in some of the categories claimed do not support this request.

I do recommend a wage adjustment of 2.5¢ in each year of the contract for the following categories:

Front Office
Housekeeper
Laundry
Steward

Such wage adjustment to be made on the same dates as general increases, which shall be retroactive to October 1, 1970.

DATED at Halifax, Nova Scotia, this 21st day of June, A. D., 1971.

(Sgd.) Judge Nathan Green,
Chairman

I agree with the findings of the Chairman
Leo F. McKay,
Member

Minority Report by A. William Cox

I have had the benefit of reading the draft majority report and I regret that after long and careful consideration I have come to the conclusion that I cannot subscribe to it.

That report recommends 'That the parties conclude a two year agreement in the same terms as are set out in the last agreement subject to the alterations, additions and deletions that may be necessary to give effect to the following terms.' The majority report then sets forth fifteen items constituting the alterations, additions and deletions to the last agreement.

While I can support many of these recommendations, I must point out that in my opinion the present economic conditions prevailing in the area where the Hotel Nova Scotian (the 'Hotel') is operating do not justify at this time wage increases in excess of six per cent. Accordingly my approval of the individual alterations, additions and deletions is modified by the cost involved which I feel must be taken into account together with any wage increases in arriving at a justifiable cost of any settlement. I am also of the opinion that the individual items should not be agreed to separately but should form part of a 'package deal' including wages and all other items in dispute.

As pointed out in the majority report and in the report of the Conciliation Officer, a major point at issue when negotiations commenced was the application of minimum wage legislation to the Bargaining Unit. The Union insisted that the Federal minimum wage legislation applied. The Company took the position that this matter was before the Courts and should be decided by the Courts. In the meantime, the Company did not consider the Hotel operation bound by Federal minimum wage legislation.

The Union maintained its position throughout negotiations with the Company and before the Concilation Officer. The Company felt that meaningful bargaining could not be carried out as long as the Union maintained this position.

It is my feeling that the protracted length of the negotiations was brought about in no small measure by the Union's reluctance to modify its position in this regard until this Conciliation Board met. At that time the Union agreed to proceed with the conciliation hearings and to set aside its previous insistence on the application of the Federal minimum wage legislation to the Hotel. The Company gave to the Union a written undertaking that it would comply with the law as determined by the Courts as far as minimum wage legislation was concerned.

Once this obstacle to bargaining had been removed the conciliation proceeded. In view of this, I do not think it unreasonable that the term of the new agreement should be thirty months and I so recommend.

With regard to wages, I feel that settlements in excess of six per cent, particularly in this industry, can only be justified if extraordinary and exceptional conditions apply. I do not feel that such conditions exist or apply in this case.

The Company put before the Court many examples of recent settlements in the hotel industry. It also produced tables of comparative wages paid by other operators in the hotel industry in the Halifax-Metropolitan area. These showed in my opinion that the Company has for some time paid higher wages than its competitors in the Halifax area. I do not think it can be disputed that the so-called fringe benefits and working conditions provided in the Hotel are superior to those generally prevailing in the industry in the Halifax area.

It was pointed out by the Company during meetings of the Board that Canadian National Hotels are not consistently nor necessarily the wage leaders in large centres of Canada. It was not established before the Board that the Company should or could maintain a considerable wage superiority over its competitors in the industry in the Halifax area. It is my opinion that the wage scales, fringe benefits and working conditions that prevail in the Hotel should be comparable to those existing in its competitors' establishments in this area.

During the period that the Conciliation Board was sitting, a competitor of the Company reached a settlement with its employees that appears to be considerably out of line with wage movements that have taken place in the area and in the

industry during the past few years. This settlement was admittedly a 'catch up' settlement.

An analysis of this settlement and a comparison of it to the settlement which I am about to propose shows that, while there may be minor variations, the wage scales prevailing at the Hotel will equal those prevailing in the competitor's establishment and will be substantially above those in the industry generally in this area. In addition, an examination of the competitor's contract and the reported terms of settlement show that the fringe benefits including welfare, vacations and paves, to mention only three, in effect at the Hotel are superior to those in effect at the competitor's establishment.

I feel very strongly that there is absolutely no justification at this time for a wage increase in the industry in this area of over twenty per cent during a two year contract. I feel this violates the patterns that have been established in the area and in the industry.

With deference, it is my opinion that altogether too much weight has been put upon one settlement which, as far as I am concerned, does not fit into established patterns and cannot be justified in the present economic climate prevailing in this area.

For these reasons, I therefore recommend that over the thirty-month term of the contract there be three equally spaced wage increases of 8¢ — 8¢ — 7¢ per hour, the first increase to take effect on the 1st day of October 1970 and the second and third increases to take effect ten and twenty months thereafter respectively.

The majority report also recommends 'wage adjustments' of 2 ½¢ and 2 ½¢ for the following categories: front office, housekeeper, laundry and steward.

Again with deference, I must report that in my opinion no justification for such wage adjustments was given to the Board. In view of this, I recommend that they should not be granted.

In summary, I recommend that the parties enter into a thirty-month contract effective the 1st day of October 1970 based on the last agreement revised as set out above.

With regard to many of the recommendations contained in the majority report, apart from term, wage adjustments and wages, I would not oppose them provided that their cost was determined and taken into account in arriving at the final wage settlement.

Finally, it is my opinion that the nature of the industry is such that management requires great flexibility in its operations, work rules and schedules. This should be kept in mind if any change is to be made in the prevailing work rules and schedules.

Dated at Halifax, Nova Scotia, this 18th day of June 1971.

(Sgd.) A. William Cox,
Member.

Report of Board of Conciliation and Investigation established to deal with dispute between: Channel Seven Television Limited (CJAY-TV) and National Association of Broadcast Employees and Technicians

The Board was under the Chairmanship of Jack M. Chapman, Q.C., of Winnipeg, appointed by the Minister of Labour on the joint recommendation of the other members of the Board, Harold G. Piercy and Joseph James, both of Winnipeg, who were previously appointed on the nomination of the company and union, respectively. The report was received by the Minister during June.

At the first hearing of the Board on May 12th, 1971, both of the Parties confirmed the appointment and status of the Board and its members, and each further confirmed that there were no preliminary objections.

The last collective agreement between the parties was for a three-year period commencing January 15, 1968, and expiring January 14, 1971. It is clear from the submissions of the parties and the other evidence that the appropriate notices were given that the Bargaining Agent wished to renegotiate the agreement; and accordingly numerous meetings were held by the parties and in due course they met with a Conciliation Officer. Unfortunately an agreement could not be reached and the matter was referred to this Board.

It would have been most gratifying to this Board if it had been able to effect an amicable settlement of the matters still in dispute between the Parties. However the Board could not satisfactorily resolve the problems, nor is the Board unanimous in its recommendations.

The Board met with the Parties on several occasions and offered to meet again if there was any reasonable prospect of arriving at mutually satisfactory conclusions. Additionally the Board met with each of the Parties separately.

There are a number of matters still in dispute between the Parties. It is a reasonable assumption, (and was so confirmed by the Parties) that the most important issue was the salary schedule, and that if this could have been resolved then the other matters could have been disposed of with minimum effort. The Parties however were explicit that if the salary was not settled, then all other unresolved issues were to be dealt with by the Board.

The Board has therefore dealt with each item in the same sequence as they appear in the collective agreement.

In such instances where a member of the Board has dissented in the recommendations, his dissent is appended hereto.

Articles 6 and 7:	These items have been agreed to by the Parties including the changes in Article 6.3, step 4; Article 6.4, Article 7.2 and Article 7.4; as set out on page 2 of Exhibit BB and in the wording of Exhibit DD, pages 1 to 3.*
Article 9.1:	The Board is of the opinion that the wording in the last agreement should remain unchanged. There are approximately 100 persons covered by the present pension plan and it would appear unreasonable to have this group of employees vested with the control of the plan.
Article 9.2:	This article is to be amended by mutual agreement as set forth on page 3 of Exhibit DD.*
Article 13.1:	The Board is of the opinion that the wording of this clause remains the same as in the agreement which terminated January 15, 1971.
Article 14.1:	The Board notes that the Company agreed to the requested change in the wording, if the wage changes were satisfactory. The Board is of the opinion that the changes as requested by the Bargaining Agent be made as set forth in Exhibit DD on pages 4 and 5.*
Article 14.2:	The proposed changes conform with the wording of a letter dated August 28, 1968, which is attached to the collective agreement. Any new agreement should be drawn accordingly.
Article 15.2:	The Board is of the opinion that the wording of this clause in the last agreement is satisfactory. The clause is clear that this is not to be a normal procedure, and a premium is paid. Accordingly no changes are required to be made.
Article 16.3.3:	The Board is of the opinion that no changes should be made.
Articles 20.1.1 and 20.1.2:	The Company's position with respect to the requested amendment is the same in connection with these articles as it was with reference to Article 14.1. The Board is of the opinion that the requested amendments be incorporated in any new agreement. The wording would be as on page 6 of Exhibit DD.*
Article 22.1:	The Board is of the opinion that the existing wording of this Article should not be changed.
Article 34.4:	The Parties have agreed that this Article should be changed to provide that the notice period should be increased from one month to three months.
Article 34.5:	The Parties have agreed that the number of interviews and the maximum times in the present agreement should be increased to 2 per week for a maximum time of 4 hours each.
Article 36:	The Board is of the opinion that the wording of this clause should remain unchanged.
Article 40.1:	The Board is of the opinion that the wording of this Article should remain

unchanged. It would appear reasonable that in an age of technological advance, experimentation is necessary.

Article 41.1: The Board is of the opinion that the wording of this Article should remain unchanged.

Article 42.2: The Board is of the opinion that the following new Article should be included in a new agreement:

42.2 — Irrespective of Article 42.1 above, the Company may employ part-time employees in classifications within the bargaining unit, provided that:

42.2.1 — The number of part-time employees do not exceed two (2) in number in any week and such employees do not work in excess of 24 hours each in a week.

42.2.2 — Part-time employees shall receive all benefits of this Agreement, except those dependent on seniority (i. e. pensions, medical), and part-time employees shall receive such benefits proportionately to the hours worked.

42.2.3 — Part-time employees will not be used in such a manner as to:

(a) affect a lay-off of full-time employees in the bargaining unit,

or

(b) avoid the re-call of full-time employees in the bargaining unit who may have been laid-off and who have re-call rights under Article 35.

or

(c) avoid the hiring of full-time employees in the bargaining unit.

42.2.4 — (a) The minimum call in time for part-time employees shall be 6 hours.

(b) The normal rates of pay for part-time employees shall be based on an 8 hour day, and time worked in excess of 8 hours shall be paid at the overtime rates.

42.2.5 — The time limits specified in 42.2.1 above shall not be applicable when a part-time employee is called in due to sickness or vacation of a regular full time employee.

Article 43.1.2: The Board is of the opinion that the wording in the previous agreement be changed as requested by the Bargaining Agent on page 9 of Exhibit DD*, in that the the comma at the end of the 5th line be changed to a period and all subsequent wording be deleted.

Article 44.2: As previously stated the wage issue was most contentious. The decision of the Board is not unanimous. The majority of the Board are of the opinion that the offer made by the Company is low and that the request made by the Bargaining Agent is high. In round figures the Company has offered a 17 ½% increase over a period of 3 years. The Bargaining Agent has requested close to 28%. The Board notes that the members of the Bargaining Agent did not receive any increase in the last year of the collective agreement. Considering the increase in the cost of living, the wages paid to other employees in both similar and different fields of endeavour, the majority of the Board is of the opinion that the following increases should be made over the term of a new collective agreement:

1. From January 15, 1971, to January 14, 1972: An increase in all categories of 10%.

2. From January 15, 1972 to January 14, 1973: An additional compounded increase in all categories of 6%.

3. From January 15, 1973 to January 14, 1974: An additional compounded increase in all categories of 6%.

These increases would be applied 'across the board' to all existing classifications.

Article 49.1: The Board is of the opinion that the request of the Bargaining Agent is reasonable and holds that this Article be amended to provide that a copy of the complaint or accusation be given to the representative of the Bargaining Agent who shall have the right to file a reply. If the copy is not given then the complaint or accusation shall not be used in any proceedings against the employee. Articles 49.2 and 49.3 as set forth on page 12 of Exhibit DD* shall be included with the proviso that 49.3 shall be amended by inserting the words 'regularly scheduled' between 'mean' and 'days.'

Article 50.1: The Board is of the opinion that this clause should be amended to provide that the Company shall at its expence provide the employees with locked storage space for any items for which the employee is responsible.

Article 54.1: The Board is of the opinion that the agreement shall be for 3 years and that the Article should be in the wording set forth on page 12 of Exhibit DD*.

Article 54.2: The Board is of the opinion that any wage increase should be retroactive to January 15, 1971, and shall apply to regularly scheduled hours and overtime, and same shall be paid as soon as possible after a new agreement is reached.

We trust that this report will be of some assistance to the

parties and we wish to extend special thanks to the representatives of the parties who each filed thorough and complete briefs.

Dated at Winnipeg this 9th day of June, A.D. 1971

(Sgd.) Jack M. Chapman,
Chairman

I do concur with the above and am not appending my reasons hereto.

Joseph James,
Nominee of the Bargaining Agent

I do not concur with the above and am appending my reasons hereto

Harold G. Piercy,
Nominee of the Company

*Exhibits not reproduced here.

Minority Report of H. G. Piercy

I have considered the Majority Report in this dispute and find myself in disagreement with my associates on certain of their recommendations, including the recommendation in respect of the salary scales. I will address myself to each of the items identified by the Majority Report as being in dispute and where I concur with my associates I will note — concur. Where there is disagreement between us I will outline the recommendation that I would make to the parties.

Item 1 — Article 6 and 7: Concur.
2 — Article 9.1: Concur.
3 — Article 9.2: Concur.
4 — Article 13.1: Concur.
5 — Article 14.1: Concur.
6 — Article 14.2: Concur.
7 — Article 15.2: Concur.
8 — Article 16.3.3: Concur.
9 — Article 20.1.1: and 20.1.2. Concur.
Item 10 — Article 22.1: Concur.
11 — Article 34.4: Concur.
12 — Article 34.5: Concur.
13 — Article 36.0: Concur.
14 — Article 40:1: Concur.
15 — Article 41.1: Concur.

16 — Article 42.2: I concur that the number of part-time employees should not exceed two (2) in any week but I recommend that the hour-limits of twenty-four (24) apply in respect of each of two (2) part-time employees.

The restriction, however, should be waived in cases where unusual circumstances prevail and should not be operative at all where part-time employees are engaged:
(a) To replace employees who are absent in the case of leave of absence, unauthorized absenteeism or illness, or;
(b) To replace regular employees during vacation periods.

I see no reason why it should be necessary for the parties to embody the majority's proposal on 42.2.2 and 42.2.3 in a new agreement. It seems to me that those provisions would be redundant. I concur in the majority's recommendation concerning 42.2.4.

Item 17 — Article 43.1.2: Recommend that the wording of this clause remain unchanged.

Item 18 — Article 44.2: I do not concur with my associates as to the increases in salaries that should be applied. This member recommends as follows:
1. From January 15, 1971 to January 14, 1972: an increase in all categories of 7 ½%.
2. From January 15, 1972 to January 14, 1973: an additional (and compounded) increase in all categories of 6%.
3. From January 15, 1973 to January 14, 1974: an additional (and compounded) increase in all categories of 5 ½%.
Later in this report reasons will be given for the recommendation. It is important to note (See Appendix E to this report) that the effect of this recommendation is salary increases at three year termination amounting to 32.6%.

Item 19 — Article 49.1: Concur.

Item 20 — Article 50.1: I do not agree with the recommendation of my associates. On the other hand an employee should not be liable for loss of items specified in 50.1 where he has taken reasonable steps to protect those items. I recommend that the following new sub-article be included in a new Collective Agreement.
'An employee shall not be held liable for the loss of any special or protective gear assigned to him, where the employee has taken all reasonable steps to ensure against the loss of such clothing or protective gear.'

Item 21 — Article 54.1: Concur.
Item 22 — Article 54.2: Concur.

The Board of Conciliation is unanimous in its recommendation on a very substantial number of the issues in dispute, but, unfortunately we could not find unanimity on Salaries, which, as the Majority Report notes, is the single most important issue. At first glance it would appear that the wage adjustments recommended in both reports are not far apart, but in order to fully appreciate the impact effect of the two recommendations one must examine those recommendations in the context of added terminal cost to the employer and, of course, additional terminal salary increases that the employees would enjoy if the parties were to adopt the salary adjustment recommendations contained in either the Majority or the Minority Report.

During the hearings before our Board, the company modified its proposal in four occasions. Its initial posture was that over a three year period, compounded increases at terminal date were not to exceed 16%. At a subsequent meeting the company's proposal was increased to provide for 6% increases (compounded) for each of three years. As will be noted from Appendix 'C' of this report, at the end of a three year period; salaries of employees in the bargaining unit would have increased in average by 31.3% which this Board member views as very favourable average wage adjustments. Had the Union accepted that proposal the company would have been compelled to absorb an approximate $69,636 three years

hence over its present wage account for some 35 employees which we are told is approximately 35% of the total personnel employed by Channel Seven Television Limited.

The company made two additional proposals for settlement and the effect of both proposals is contained in Appendix 'A' and 'B' to this report. These proposals did not improve the average salaries beyond the proposal I spoke of earlier as both proposals, in essence, simply involved a redistribution of the extra salary costs that the company was prepared to absorb. It is, however, significant to note that based on the present mix of employees, the proposals produce salary increases of 28.6% and 29.1% respectively at terminal date of a three year period.

Turning now to the recommendation of my associates which is stated in the Majority Report as 10% – 6% (compounded) - 6% (compounded) over three years. If this recommendation was implemented, average salaries of employees in the bargaining unit would have increased by 36.3% (see Appendix 'D') by the terminal date of the three year contract. It must also be taken into consideration that these percentage adjustments are stripped or un-impacted adjustments. A salary adjustment always brings with it additional employment costs, commonly known as impact costs: Some examples are:

– Additional Unemployment Insurance Costs –

–Additional Canada Pension Plan Costs –

–Additional Company Pension Plan Costs –

–Additional Employee Fringe Benefit Costs –

We do not know the exact impact effect, however it is generally accepted that impact costs are approximately 15% of salary adjustments. If that is so in this instance, then the real or impacted result of the Majority recommendations would be a *terminal (at January 14, 1974) impacted cost* increase of approximately 41 ½%. Because I believe that result to be unjustified I could not join with my fellow Board members and thereby make the recommendation unanimous.

My recommendation to the parties is that adjustments as set out in this report be embodied in a new three year Collective Agreement. The terminal and un-impacted result is average salary increases of 32.6% at January 14, 1974. My recommendation for applying a somewhat higher percentage increase (7 ½%) at January 14, 1971 is in recognition of the fact that because of the manner in which increases in the previous agreement were distributed, the employees did not receive any increase in the last year of that agreement. It is important to note that a 7 ½% increase at January 15, 1971 generates an average salary increase of 12.2% one year later.

The reason for the favourable results that these proposed percentage increases produce is twofold, a) the increases are compounded and b) the annual incremental adjustments that employees are to receive as they accumulate seniority. It cannot reasonably be argued that incremental adjustments should not be considered in conjunction with the base rate increases. An increment adjustment is a salary cost to the employer and an added income to the employee. This method of applying annual adjustments (increments) is not at all uncommon, but, when one examines settlements where an increment arrangement is embodied within the salary structure it is clear that these kinds of settlements, are, on a percentage-across-the-board basis much less than in areas where increments do not apply. One principal example is the teaching profession where during the past two years in the ten Metropolitan Winnipeg School Divisions the scale increases have averaged between 5% and 5 ½% for each year, but, on average the incremental adjustments produce the equivalent of an additional 2 ½% to 3% increase.

The recommendation contained in this report if adopted could well be construed as inflationary and it could be argued that the recommendation has little regard for the behaviour of the Consumer Price Index and the purchasing power of the Canadian dollar. During 1970 the C.P.I. behaved very favourably showing a modest 1.5% increase, but we are now witnessing a deterioration in that trend, consequently some provision must be made in the salary levels in anticipation of a further erosion in the purchasing power of the dollar; notwithstanding that it is high settlements that are one of the factors which produce inflation.

The level of salary increases granted to employees generally in this area is another influence that must be considered, but, more important is the level of increases that have been granted to employees in the same industry; that is the Communications Industry – average weekly wages and salaries for Winnipeg, November, 1969 – to $110.23 per week (source – The Labour Gazette, May, 1971) for a twelve-month terminal increase of approximately 7.6%. On a national basis (urban area breakdown is not available) average weekly wages and salaries in the Communications Industry increased from $130.63 to $138.39 during the same twelve-month period for a terminal increase of 5.9%.

Channel Seven Television Limited is engaged in the Communication Industry and must compete for business with the Canadian Broadcasting Corporation and with the other media, such as radio, newspapers, magazines and the like. It is not reasonable to use the C.B.C. employment conditions as the sole criteria for comparisons, simply because Channel Seven must operate as a viable business enterprise which must generate a profit and a return on its investment. The Canadian Broadcasting Corporation is not burdened with a like responsibility.

To their credit, representatives of the Union acknowledge the distinction between these two Television Stations and did not argue for parity with C.B.C. I would encourage both the Union and the company to once again meet and give earnest consideration to adopting the salary recommendations of this report. The Majority Report commented that the representatives of the parties each filed thorough and complete briefs. I would also comment that those same representatives conducted themselves before our Board in a mature and sincere manner. If they continue to view their dispute in the context of endeavoring to find the right solution I am confident they will achieve a mutually satisfactory result.

Dated at Winnipeg, Manitoba this 10th day of June, 1971.

(Sgd.) H. G. Piercy,
Member

Employee Distribution Chart and Effect of Company Proposal #1

January 4th, 1971 (existing)

Start - YEARS	1	2	3	4	5	6	7
1 Mo		1/290 2 334 2/374		1 478		1 440	
2		3 404					
3		2 451		1 570			
4		1 487	1 594				
5	1 380	2 511	1 618			1 618	
6		1 535				1 642	
7		3 558	5 653	1 671		1 665 3/689	
8							

- Salaries (monthly) - 18,546
- Salaries (annualized) - 222,552

At January 14th, 1972 (Proposed)

- YEARS -	1	2	3	4	5	6	7
1		3 397					
2		2 428		1 574		1 517	
3		3 479					
4		2 517		1 662			
5	1 403	1 542	1 656				
6		2 568	1 668			1 681	
7		4 592	5 693	1 712		1 706 4/731	
8							

- Salaries (monthly) - 20,532
- Salaries (annualized) - 246,384
- Salary Increase over 14/1/71 - 23,832
- Percentage Increase over 14/1/71- 10.7%

At January 14th, 1973 (Proposed)

- YEARS -	1	2	3	4	5	6	7
1							
2		3 454					
3		2 508		1 642		1 615	
4		3 549					
5	1 427	2 575		1 716			
6		1 603	1 709				
7		6 628	6 735	1 733		1 749 5/776	
8							

- Salaries (monthly) - 22,427
- Salaries (annualized) - 269,124
- Salary Increases over 14/1/71 - 46,572
- Percentage Increase over 14/1/71- 20.9%
- Salary Increase over 14/1/72 - 22,740
- Percentage Increase over 14/1/72- 9.2%

At January 14th, 1974 (Proposed)

- YEARS -	1	2	3	4	5	6	7
1							
2							
3		3 528					
4		2 571		1 730		1 695	
5	1 444	3 598					
6		2 627		1 757			
7		7 653	7 764	1 785		6/807	
8							

- Salaries (monthly) - 23,946
- Salaries (annualized) - 287,352
- Salary Increases over 14/1/71 - 64,800
- Percentage Increase over 14/1/71- 29.1%
- Salary Increase over 14/1/72 - 40,968
- Percentage Increase over 14/1/72- 16.6%
- Salary Increases over 14/1/73 - 18,228
- Percentage Increase over 14/1/73- 6.8%
- Salary Increases-3 yrs. - 64,800
- Percentage Increases-3 yrs. - 29.1%

Employee Distribution Chart and Effect of Company Proposal #2

January 4th, 1971 (existing)

- GROUP -

Start Mo - YEARS	1	2	3	4	5	6	7
1		1/290 2/334 2/374		1/478		1/440	
2		3/404					
3		2/451		1/570			
4		1/487	1/594				
5	1/380	2/511	1/618			1/618	
6		1/535				1/642	
7		3/558	5/653	1/671		1/665 3/689	
8							

- Salaries (monthly) - 18,546
- Salaries (annualized) - 222,552

At January 14th, 1972 (Proposed)

- GROUP -

- YEARS -	1	2	3	4	5	6	7
1		3/385					
2		2/416		1/557		1/502	
3		3/465					
4		2/502		1/643			
5	1/418	1/526	1/643				
6		2/567	1/668			1/681	
7		4/591	5/692	1/698		1/705 4/730	
8							

- Salaries (monthly) - 20,305
- Salaries (annualized) - 243,660
- Salary Increase over 14/1/71 - 21,108
- Percentage Increase over 14/1/71- 9.5%

At January 14th, 1973 (Proposed)

- GROUP -

- YEARS -	1	2	3	4	5	6	7
1							
2		3/428					
3		2/279		1/605		1/580	
4		3/517					
5	1/443	2/542		1/675			
6		1/601	1/708				
7		6/626	6/734	1/726		1/747 5/774	
8							

- Salaries (monthly) - 21,992
- Salaries (annualized) - 263,904
- Salary Increases over 14/1/71 - 41,352
- Percentage Increase over 14/1/71- 18.6%
- Salary Increase over 14/1/72 - 20,244
- Percentage Increase over 14/1/72- 8.3%

At January 14th, 1974 (Proposed)

- GROUP -

- YEARS -	1	2	3	4	5	6	7
1							
2							
3		3/493					
4		2/533		1/682		1/708	
5	1/470	3/558					
6		2/637		1/728			
7		7/664	7/778	1/755		6/820	
8							

- Salaries (monthly) - 23,850
- Salaries (annualized) - 286,200
- Salary Increases over 14/1/71 - 63,648
- Percentage Increase over 14/1/71- 28.6%
- Salary Increase over 14/1/72 - 42,540
- Percentage Increase over 14/1/72- 17.6%
- Salary Increases over 14/1/73 - 22,296
- Percentage Increase over 14/1/73- 8.4%
- Salary Increases-3 yrs. - 63,648
- Percentage Increases-3 yrs. - 28.6%

Employee Distribution Chart and Effect of Company Proposal 6%-6%-6%, (compounded)

January 4th, 1971 (existing)

- GROUP -

Start Mo→	1	2	3	4	5	6	7
1		1/290 2/334 2/374		1/478		1/440	
2		3/404					
3		2/451		1/570			
4		1/487	1/594				
5	1/380	2/511	1/618			1/618	
6		1/535				1/642	
7		3/558	5/653	1/671		1/665 3/689	
8							

- YEARS -

- Salaries (monthly) - 18,546
- Salaries (annualized) - 222,552

At January 14th, 1972 (Proposed)

- GROUP -

	1	2	3	4	5	6	7
1		3/396					
2		2/428		1/573		1/516	
3		3/478					
4		2/516		1/661			
5	1/403	1/542	1/655				
6		2/567	1/668			1/681	
7		4/591	5/692	1/711		1/705 4/730	
8							

- YEARS -

- Salaries (monthly) - 20,503
- Salaries (annualized) - 246,036
- Salary Increase over 14/1/71 - 23,484
- Percentage Increase over 14/1/71- 10.6%

At January 14th, 1973 (Proposed)

- GROUP -

	I	2	3	4	5	6	7
I							
2		3/454					
3		2/507		1/640		1/615	
4		3/547					
5	1/427	2/575		1/714			
6		1/601	1/708				
7		6/626	6/734	1/754		1/747 5/774	
8							

- YEARS -

- Salaries (monthly) 22,403
- Salaries (annualized) - 268,836
- Salary Increases over 14/1/71 - 46,284
- Percentage Increase over 14/1/71- 20.8%
- Salary Increase over 14/1/72 - 22,800
- Percentage Increase over 14/1/72- 9.3%

At January 14th, 1974 (Proposed)

- GROUP -

	I	2	3	4	5	6	7
I							
2							
3		3/537					
4		2/580		1/743		1/708	
5	1/453	3/610					
6		2/637		1/757			
7		7/664	7/778	1/799		6/820	
8							

- YEARS -

- Salaries (monthly) - 24,349
- Salaries (annualized) - 292,188
- Salary Increases over 14/1/71 - 69,636
- Percentage Increase over 14/1/71- 31.3%
- Salary Increase over 14/1/72 - 46,152
- Percentage Increase over 14/1/72- 18.8%
- Salary Increases over 14/1/73 - 23,352
- Percentage Increase over 14/1/73- 8.7%
- Salary Increases-3 yrs. - 69,636
- Percentage Increases-3 yrs. - 31.3%

Employee Distribution Chart and Effect of Recommendations of Majority Report

January 4th, 1971 (existing)

- G R O U P -

Start Mo. - YEARS -	1	2	3	4	5	6	7
1		1/290 2/334 2/374		1/478		1/440	
2		3/404					
3		2/451		1/570			
4		1/487	1/594				
5	1/380	2/511	1/618			1/618	
6		1/535				1/642	
7		3/558	5/653	1/671		1/665 3/689	
8							

- Salaries (monthly) - 18,546
- Salaries (annualized) - 222,552

At January 14th, 1972 (Proposed)

- G R O U P -

- YEARS -	1	2	3	4	5	6	7
1		3/411					
2		2/444		1/595		1/536	
3		3/496					
4		2/536		1/686			
5	1/418	1/562	1/680				
6		2/589	1/693			1/706	
7		4/614	5/718	1/738		1/732 4/758	
8							

- Salaries (monthly) - 21,283
- Salaries (annualized) - 255,396
- Salary Increase over 14/1/71 - 32,844
- Percentage Increase over 14/1/71- 14.8%

At January 14th, 1973 (Proposed)

- G R O U P -

- YEARS -	I	2	3	4	5	6	7
I							
2		3/471					
3		2/526		1/665		1/638	
4		3/568					
5	1/443	2/596		1/742			
6		1/624	1/735				
7		6/651	6/761	1/782		1/776 5/803	
8							

- Salaries (monthly) - 23,253
- Salaries (annualized) - 279,036
- Salary Increases over 14/1/71 - 56,484
- Percentage Increase over 14/1/71- 25.4%
- Salary Increase over 14/1/72 - 23,640
- Percentage Increase over 14/1/72- 9.3%

At January 14th, 1974 (Proposed)

- G R O U P -

- YEARS -	I	2	3	4	5	6	7
I							
2							
3		3/558					
4		2/602		1/771		1/734	
5	1/470	3/632					
6		2/661		1/800			
7		7/690	7/807	1/829		6/851	
8							

- Salaries (monthly) 25,285
- Salaries (annualized) - 303,420
- Salary Increases over 14/1/71 - 80,868
- Percentage Increase over 14/1/71- 36.3%
- Salary Increase over 14/1/72 - 48,024
- Percentage Increase over 14/1/72- 18.8%
- Salary Increases over 14/1/73 - 24,384
- Percentage Increase over 14/1/73- 8.7%
- Salary Increases-3 yrs. - 80,868
- Percentage Increases-3 yrs. - 36.3%

Employee Distribution Chart and Effect of Recommendations of Minority Report

January 4th, 1971 (existing)

- GROUP -

- YEARS -	1	2	3	4	5	6	7
Start							
1		1/290 2/334 2/374		1/478		1/440	
2		3/404					
3		2/451		1/570			
4		1/487	1/594				
5	1/380	2/511	1/618			1/618	
6		1/535				1/642	
7		3/558	5/653	1/671		1/665 3/689	
8							

- Salaries (monthly) - 18,546
- Salaries (annualized) - 222,552

At January 14th, 1972 (Proposed)

- GROUP -

- YEARS -	1	2	3	4	5	6	7
1							
2		3/402					
3		2/434		1/582		1/524	
4		3/485					
5	1/409	2/524	1/664	1/671			
6		1/549	1/677			1/690	
7		2/575	1/702	1/721		1/715 4/741	
8		4/600	5				

- Salaries (monthly) - 20,803
- Salaries (annualized) - 249,636
- Salary Increase over 14/1/71 - 27,084
- Percentage Increase over 14/1/71- 12.2%

At January 14th, 1973 (Proposed)

- GROUP -

- YEARS -	I	2	3	4	5	6	7
I							
2		3/460					
3		2/514		1/650		1/623	
4		3/555					
5	1/434	2/582		1/725			
6		1/610	1/718				
7		6/636	6/744	1/764		1/758 5/785	
8							

- Salaries (monthly) - 22,724
- Salaries (annualized) - 272,688
- Salary Increases over 14/1/71 - 50,136
- Percentage Increase over 14/1/71- 22.5%
- Salary Increase over 14/1/72 - 23,052
- Percentage Increase over 14/1/72- 9.2%

At January 14th, 1974 (Proposed)

- GROUP -

- YEARS -	I	2	3	4	5	6	7
I							
2							
3		3/542					
4		2/586		1/750		1/714	
5	1/458	3/614					
6		2/644		1/779			
7		7/671	7/785	1/806		6/828	
8							

- Salaries (monthly) - 24,595
- Salaries (annualized) - 295,140
- Salary Increases over 14/1/71 - 72,588
- Percentage Increase over 14/1/71- 32.6%
- Salary Increase over 14/1/72 - 45,504
- Percentage Increase over 14/1/72- 18.2%
- Salary Increases over 14/1/73 - 22,688
- Percentage Increase over 14/1/73- 8.3%
- Salary Increases-3 yrs. - 72,588
- Percentage Increases-3 yrs. - 32.6%

CANADA LABOUR RELATIONS BOARD

Reasons for Judgment in Application for Certification Affecting Transport Drivers, Warehousemen and Helpers' Union, Local 106 of the International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers of America (Applicant)

and

Métropolitain Provincial (1967) Inc. (Respondent)

and

Syndicat des Employés Métropolitain Provincial (CSN) (Intervener)

The Board consisted of A. H. Brown, Chairman, and E. R. Complin, J. A. D'Aoust, Jacques Guilbault, A. J. Hills, and Gérard Picard, Members. The Judgment of the Board was delivered by the Chairman.

---

1. The Applicant, a trade union, has applied by application dated February 23, 1971, to this Board to be certified as bargaining agent for a unit of employees of the Respondent consisting of all employees working as drivers in the Respondent's motor coach (autobus) road transportation undertaking.

2. The Intervener, another trade union, was certified under its former name, the 'Syndicat des Employés du Transport Provincial (CSN)', as the bargaining agent for the same unit of drivers employed by the Respondent by an order of the Québec Labour Relations Board dated June 6, 1968, made under the Québec Labour Code. Following upon such certification, a collective agreement was entered into by the Intervener under its present name with the Respondent covering the employees of the Respondent in the said bargaining unit for a term running from December 9, 1968 to December 31, 1970.

3. The Respondent is a company incorporated under the laws of the province of Québec with head office and principal terminal at Montreal, Qué. The Respondent carries on a motor coach (autobus) road transportation undertaking for the transport of passengers in the general area of Montreal and its suburbs and neighbouring localities and operates a charter party motor coach (autobus) passenger transportation service from Montreal and other points on its motor coach transportation routes within the province of Québec to points and areas within the province of Québec and to points beyond and to areas extending beyond the boundaries of the province of Québec into points and areas within the province of Ontario and to points and areas within the province of Ontario and to points and areas within the United States under complementary road transport permits granted to it by the appropriate road transport licensing authorities of the provinces of Québec and Ontario who are authorized to grant extraprovincial road transport licences under the federal Motor Vehicle Transport Act and by the United States Interstate Commerce Commission. The employees of the Respondent in the bargaining unit for whom the Applicant seeks certification as bargaining agent are employed in the transportation undertaking and operations of the Respondent which are described above. The Intervener opposes the application for certification on the grounds (a) that the operations of the Respondent including the regulation of labour relations between the Respondent and its employees fall within the jurisdiction of the province of Québec and the provisions of the Québec Labour Code and are not subject to the provisions of the Industrial Relations and Disputes Investigation Act and (b) that in any event the Applicant does not have as members in good standing a majority of the employees in the proposed bargaining unit as claimed by it.

4. The Respondent submits that the Québec Labour Relations Board has exercised jurisdiction under the provisions of the Québec Labour Code in certifying the Intervener as the bargaining agent of the employees of the Respondent in the proposed bargaining unit, as evidenced by its order of certification of June, 1968, which still subsists and that this order is binding upon the Respondent until revoked by the Québec Board or until removed by an order of a Superior Court. The Respondent submits that in any event the undertaking of the Respondent upon which the employees in the proposed unit are employed is totally provincial in its nature and scope and is not subject to the provisions of the Industrial Relations and Disputes Investigation Act.

5. A hearing was held by the Board on April 26, 1971, on this application for certification at which evidence was adduced and arguments submitted by the parties on the issues raised in connection therewith.

6. According to the evidence, the Respondent carries on its road transport undertaking under the following road transport permits held by it and in accordance with the restrictions and reservations contained in the said permits, namely:

(1) A permit to transport passengers by motor coach on a considerable number of specified routes in the province of Québec within the general area of Montreal and its suburbs and neighbouring localities and to conduct tourist excursions therein.

(2) A permit granted by the Québec Transport Board of the same date and included in the same order of that Board authorizing the Respondent to operate charter motor coach (autobus) trips to the Ontario boundary and trips to the New Brunswick boundary and trips to the United States boundary originating from any locality in the province of Québec situated on any route which the Respondent is authorized to serve within that province. This permit to operate extraprovincial charter motor coach services was stated by the terms of the Order to be temporary and valid until December 31, 1968, unless the Respondent filed with the Board a copy of complementary certificates issued by the Ontario Highway Transport Board and the United States Interstate Commerce Commission within the time limit so specified, but it also provided that upon receipt of such complementary certificates the Québec Transport Board will make the permits so issued permanent. The evidence is that the permits so issued to the Respondent have been made permanent by the Québec Transport Board following the receipt of the complementary certificates so specified. These are set

forth in (3) and (4) hereafter. The conditions set forth in the Québec Transport Board's permit include the following conditions inter alia: (a) the charter trip shall not be repetitive and shall be made on demand of the charter party, (b) all charter rights shall be in virtue of a signed written contract between a representative of the charter party requesting the service and the operator.

(3) An X Transport license issued by the Ontario Department of Transport under the provisions of the federal Motor Vehicle Transport Act to the Respondent under date of May 5, 1970, which authorizes the licence holder to operate an extraprovincial undertaking for the carriage of passengers from the province of Québec as authorized, from two specified Québec-Ontario boundary border points to points in the province of Ontario exclusively as a group of persons on a charter trip.

(4) A Certificate of Public Convenience and Necessity issued by the United States Interstate Commerce Commission to the Respondent under date of January 22, 1970, authorizing it to engage in transportation in interstate or foreign commerce as a common carrier of passengers and their baggage in round trip charter operations beginning and ending at ports of entry on the United States-Canadian boundary line located at points in Maine, New Hampshire, Vermont and New York and extending to points in the United States (except Alaska and Hawaii). The certificate specifies that a condition of this certificate is that the holder shall render reasonably continuous and adequate service to the public in pursuance of the authority granted.

7. The evidence is that the Respondent has operated extraprovincial charter motor coach passenger transport services as a common carrier under and in accordance with the conditions contained in the permits and licences held by it from points in the province of Québec, principally Montreal, to points in the province of Ontario and to points and areas in the United States and return in the year 1970 and is carrying on like operations in the current calender year 1971. According to the evidence the 1970 charter motor coach services provided by the Respondent to points in the United States consisted chiefly of trips to areas and points in the states of New York, New Jersey, New Hampshire and Massachussets and one 8-day trip to Florida and return. The chartered motor coach trips to points and areas in the province of Ontario included once-weekly trips from Montreal to Hawkesbury, Ontario, during the months June to September to enable passengers to participate in weekly bingo games held by the Canadian Legion at that place as well as to other points in Ontario. According to the evidence of the Respondent's manager, the Respondent had carried out as operator 120 extraprovincial charter motor coach trips in the year 1970 of which 15 trips were to various points in the province of Ontario, the balance to points in the United States. By contrast he estimated the average number of the Respondent's scheduled motor coach trips within the province of Québec in the same period as being between 500 and 600 trips per day. The extraprovincial charter bus trips operated by the Respondent as above are carried out by the Respondent using the Respondent's motor coach passenger transport vehicles and drivers which it uses and employs also on its scheduled motor coach passenger operations within the province. There are no specific busses or drivers used or assigned exclusively or in the main to extraprovincial charter motor coach trips. The Respondent's passenger motor coach fleet and facilities and drivers used in its intraprovincial operations are used indiscriminately for such trips.

In order to promote the use of the Respondent's chartered motor bus services on these extraprovincial charter trips as well as on sightseeing trips of a similar nature to areas within the province of Québec, the Respondent has taken out an associate membership in the American Society of Travel Agents which enables it to participate as an invitee to the regular monthly meetings of the Eastern Region of Canada of the Society whose membership is made up of local travel agents of Canada and the United States. Travel folders describing various charter autobus excursion trips to Florida and also to other areas in the United States and return put out by travel agencies for sales promotion purposes and distributed with the name of the Respondent endorsed thereon were placed in evidence. The Respondent advertises also in the yellow pages of the Montreal area Bell telephone book and in similar directories in adjacent areas drawing attention to the availability of the Respondent's services and facilities for charter bus trips to any place where the Respondent has permits to go.

In answer to question put by counsel for the Applicant, Mr. Lareau, the Respondent's Manager, gave evidence as follows (p. 44 of the English language transcript):

> 'Q. Mr. Lareau, is it not a fact that your company is prepared at any time to perform any charter trips which may be asked for by a client?
>
> A. We are prepared at any time to make a trip that originates from within the territory we are authorized to serve.
>
> Q. If we take Montreal, which you are authorized to serve, is it not true that you are prepared to make a trip at any time from Montreal to a location outside of the Province of Quebec and return to Montreal as soon as the clients request?
>
> A. Yes, that is correct.'

8. In the opinion of the Board the undertaking of the Respondent, which includes the carrying on of an intraprovincial scheduled motor coach (autobus) passenger road transport operation within the province of Québec together with an extraprovincial charter motor coach (autobus) passenger transportation operation herein, does not differ in its essential nature from the undertaking of a shipping company which operates an intraprovincial scheduled ship transport service between ports in the province of Québec and in conjunction therewith offers and provides an extraprovincial charter ship transport service by the chartering of its ships crewed by its own employees to those requesting such charter services for the transport of freight to specified points outside the province of Québec. The Board has held the undertaking of a shipping company whose operations were of the nature described above to be an extraprovincial undertaking to which the provisions of the Industrial Relations and Disputes Investigation Act apply. (See the decision of this Board in Canadian Marine Officers Union and Agence Maritime Inc. 69 CLLC para 16047 and the subsequent judgment of the Quebec Superior Court delivered by Laroche J. under date of May 15, 1970, reported on in 70 CLLC para 14059 rejecting an application by Agence Maritime Inc. for the issue of a writ of evocation to quash the order of certification issued by the Board in that case on the ground of lack of jurisdiction of the Board to make the order.) The principles and considerations applicable in the determination of the nature of a shipping undertaking as intraprovincial or extraprovincial appear to be equally applicable in the determination of the same issue in respect of road transport undertaking (Agence Maritime Inc.

vs. Canada Labour Relations Board et al (1970) 12 DLR (3rd) 722 at p. 726).

In any event it is settled law that the Industrial Relations and Disputes Investigation Act applies to a work or undertaking which on a continuous and regular basis connects a province with any other or others of the provinces, or extends beyond the limits of a province.

It is likewise settled that the Industrial Relations and Disputes Investigation Act is applicable to a transportation undertaking which, although not connecting two provinces or extending beyond the limits of a province on a continuous and regular basis, does connect or extend on an unscheduled basis in holding itself out as ready to provide its customers with extraprovincial and interprovincial services consistently and without interruption whenever they request it and does provide such services on this basis.

In such cases the undertaking falls within section 53(b) of the Industrial Relations and Disputes Investigation Act regardless of whether the extraprovincial part of its operations is greater or lesser in extent than that which is carried on within the province. The percentage of extraprovincial and intraprovincial transportation involved is not decisive in this regard.

(See Re: Tank Truck Transport Ltd., (1960) 25 D.L.R. (2nd) 161; Regina vs. Cooksville Magistrate Court, Ex Parte Liquid Cargo Lines Ltd. (1965) 46 D.L.R. (2nd) 700.)

9. The Board is of opinion on the evidence that the road transport undertaking of the Respondent upon which the employees of the Respondent in the proposed bargaining unit are employed is an extraprovincial road transportation undertaking to which the provisions of Part I of the Industrial Relations and Disputes Investigation Act apply.

10. The Board finds (1) that a unit of employees of the Respondent consisting of drivers employed in the Respondent's undertaking is appropriate for collective bargaining and (2) that the Applicant is a trade union within the meaning of the aforesaid Act.

11. The Board's investigating officer found upon his check of the payroll records of the Respondent as at the date of the application and his check of the membership records of the Applicant as of the same date that a majority of the employees in this bargaining unit were members in good standing of the Applicant. According to the evidence, the Intervener had secured and sent in with its intervention in contestation of the application, photostat copies of individual notices of resignation signed by each of a considerable number of employees in the bargaining unit signifying the individual's withdrawal as a member of the Applicant. The evidence is however that none of the original signed notices of withdrawal were ever sent forward to the Applicant. In the circumstances, and in the light of the evidence before it, the Board deems it appropriate to order a vote by secret ballot of the employees of the Respondent in the unit which the Board has found to be appropriate, with the names of both the Applicant and the Intervener on the ballot in order to determine the wishes of the employees in the said unit as to the selection of a bargaining agent to act on their behalf. This vote will be taken under the direction of the Chief Executive Officer of the Board.

12. The objections voiced by the Respondent against the Board proceeding further at this time with the disposition of this application as outlined in paragraph 4 above have been considered by the Board. At the time, June 6, 1968, when the Québec Labour Relations Board made its order of certification of the Intervener as bargaining agent for the unit of drivers employed by the Respondent, the Respondent's operations appear to have been confined to intraprovincial motor coach passenger transportation and no issue of jurisdiction as raised on the present application was raised before the Québec Board at that time in so far as we are aware. At the hearing before this Board on the present application the Board was advised that, shortly before the making of this application, the Applicant had made an application under the Québec Labour Code for certification as bargaining agent of the same unit of drivers of the Respondent covered by the present application. Counsel for the Applicant informed the Board at the hearing that the application made under the Québec Labour Code was withdrawn subsequently in the light of information concerning the scope of the Respondent's operations which came to hand during the course of the processing of that application under the Québec Labour Code. In the circumstances the Board was of the opinion that it has a duty in the discharge of its responsibilities under the Act to proceed with the disposition of the application in order to resolve the representation dispute involved therein with all due dispatch and in so doing to make a decision on the issue of jurisdiction raised, and has done so as set forth above. In reaching its conclusion to proceed to the final disposition of the application the Board considered the views expressed by the Québec Superior Court in a judgment delivered in the case of Agence Maritime Inc. and Canada Labour Relations Board, et al, 1 DLR (3rd) 315 on a similar point raised in that case.

(Sgd.) A. H. Brown,
Chairman,
for the Board.

Ottawa, May 27, 1971.

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Reasons for Judgment in Application affecting:

Transport Drivers, Warehousemen and Helpers Union Local 105 of the International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers of America and Voyageur (1969) Inc. and Canadian Brotherhood of Railway, Transport and General Workers

CANADA DEPARTMENT OF LABOUR

Hon. Bryce Mackasey, Minister

Bernard Wilson, Deputy Minister

Report of Board of Conciliation and Investigation established to deal with dispute between:

Royal Canadian Mint

and

Public Service Alliance of Canada

The Board was under the Chairmanship of Judge J. L. Lunney of North Bay, appointed by the Minister of Labour on the joint recommendation of the other members of the Board, Guy Coderre and Arthur Kube, both of Ottawa, who were previously appointed on the nomination of the company and union, respectively. The report was received by the Minister during November.

Pursuant to the provisions of the said Act, the Board convened a meeting at Ottawa on October 25th, 1971 and duly notified the parties. Representations from the parties were received during October 25th and October 26th, 1971 and on November 27th, 1971. In addition to meeting with both parties jointly, the Board met with each party separately in an endeavour to effect agreement between the parties.

During its meetings with the parties, the Board heard Messrs. G. Ferguson, H.R. Dunlap, J.H. Bethell, K. Prince for the Employer, and Messrs. Warren Edmondson, Jim Chambers, Joe Loughran, Bernie Séguin, Ron Cochrane for the Bargaining Agent. All members of the Board were present at all times during the hearings. Both parties filed documentary material with the Board.

Before entering upon the Board's duties, all members of the Board filed with the Chairman duly sworn and attested Oaths of Office, pursuant to Section 30 of the Act, which are attached hereto. (Not reproduced.)

The Board found that there were thirteen items in dispute, which corresponded to a great extent with the report of the Conciliation Officer, dated the 31st day of August, 1971 with the exception of point 4, Lieu Days, on which there was agreement by both parties.

This Board heard, and has carefully weighed the considerable submissions from both parties on all the points in dispute and is recommending the following changes to both parties in the hope that these recommendations will bring about an amicable settlement in this dispute:

Item No. **ARTICLE**

1. Article 2 — Interpretation and Definitions

2.01 (c) Casual employee
(o) Probation
(q) Permanent employee

The Board recommends the elimination of the definition and classification "Casual employee" from the collective agreement and further recommends the integration of present casual employees into the regular working force. The Board is satisfied from the presentations made that such a move would not cause any restriction on management to effectively manage and operate its operation. The Board recommends no change in the definition of probation and sees no need for a definition of permanent employee.

2. Article 16 — Vacation Leave

16.01 — Accumulation of Vacation Leave

The Board recommends that employees with five years continuous service with the Royal Canadian Mint receive three (3) weeks vacation with pay and that there be no other change in this Article.

3. Article 19 — Sick Leave

19.12 — Sick Leave Pay-Off (New Clause)

The Board recommends no additional improvement in this clause, the Board is satisfied that there is presently a severance pay clause in the agreement and that sick leave is intended to protect people when they are sick and should not be used to benefit employees who are fortunate enough to be healthy.

4. Article 23 — Hours of Work and Overtime — General

23.01 — Normal Work Week
23.05 — Advance Shift Notifications

The Board recommends no changes in the normal work week in the present agreement. The Board however recommends that the advance shift notification period be reduced from the present eleven days to six days. The Board feels that an eleven day period causes severe restriction on management in the operation of the Mint. No penalty of overtime to be paid beyond one day if the shift change was brought on by death, sickness, or accident to an employee.

5. Article 30 — Shift Premium

30.01 — Shift Premium
30.02 — Special Premium for Heating, Power and Stationary Plant Operators (New Clause)

The Board recommends that shift premiums be increased as of the signing of this agreement to 13 cents per hour for the second shift and to 17 cents per hour for the third shift. This represents a common denominator of average shift premiums now being paid in Industry.

The Board does not recommend any special premiums for weekend work for stationary engineers regularly scheduled to work Saturdays and Sundays. There was no evidence before this Board that such special premiums have found wide acceptance in Industry for these classifications.

6. Article 35 — Work Clothing

35.01 — Work Clothing
35.02 — Safety Footwear
35.03 — Eye Protection
35.04 — New Clause

The Board recommends changes in Article 35 to read as follows;

35.01 The Employer shall provide work clothing for all employees where necessary and shall pay for the cost of laundering.

35.02 The Employer shall provide safety boots for all employees where necessary, and where necessary safety shoes for those who provide a medical certificate stating that they cannot wear boots and to replace same as each succeeding pair is worn out.

35.03 Safety approved eye protection shall be provided to all employees where necessary. Employees who normally wear prescription glasses will be provided with safety approved eye protection containing lenses ground to their individual prescription, providing that the employee supplies the Employer with a copy of his prescription.

35.04 All personal safety equipment will remain the property of the Royal Canadian Mint.

7. Article 38 — Service

The Board recommends to both parties the rewriting of Article 38 to include the following principles.

a) In promotions, transfers and reclassifications, the following factors shall govern: The ability, knowledge, dependability, training skill and efficiency of the employee. Only if these factors are to all intents and purposes relatively equal between two or more employees, length of service shall govern.

b) In layoff and rehiring, length of service shall govern. Providing the employee is willing and able to fulfil the normal requirements of an alternative job, the company may place an employee on a thirty-day probationary period to see if the employee is willing and able to fulfil the normal requirements of the job. There shall be no bumping from manual to nonmanual occupations and vice versa; there shall be no bumping from non-trades to trades occupations.

With the exception of the aforementioned changes in principle, the Board recommends no other changes in the present Article 38-Service.

8. Article 44 — Job Security

The Board recommends to both parties the following:

Article 44 — If during the life of this Agreement the Mint is relocated outside the Ottawa-Hull area, all employees on strength at the time of relocation, whose jobs shall be required in the new location, shall be offered continued employment and the Mint shall pay relocation allowances on the basis of policy as laid down by the Treasury Board.

The Board would like to point out that there is pending legislation which was introduced by the Honourable, the Minister of Labour of Canada which might be applicable at the time when the Mint makes a move away from its present location.

9. Article 47 — Classification

47.03 — Tradesmen Licencing (new clause)

The Board agrees with the Mint that it is preferable to have licenced and registered tradesmen, but we cannot agree with the Mint's statement that these tradesmen must be licenced and registered in accordance with the Province of Ontario regulations to work at the Mint. We therefore recommend that the language of proposed Article 47.03 exempt all presently employed tradesmen at the Mint from licencing and registration.

10. Article 48 — Duration and Renewal

The Board recommends to the parties a two-year agreement which will run from April 1st 1971 to December 31, 1972.

11. Article 51 — Job Opportunities (new clause)

The Board recommends for acceptance the Union proposal subject to certain amendments. The recommended clause as amended is as follows:

51.01 The employer shall post notices of all vacant positions in the Bargaining Unit in locations where such notices are likely to come to the attention of the employees.

51.02 The qualifications of all employees who apply for a vacant position in the Mint shall be considered. Each employee who applies shall be notified that his application has been received by the Personnel Officer.

51.03 When the Employer is unable to select a qualified candidate within the Mint, the position may be filled by an appointment from outside the Royal Canadian Mint, and the employer's decision herein shall not be grievable.

12. Article 52 — Union-Management Consultation Committee

The Board recommends against the inclusion of this Article into the Collective Agreement. The Board does not believe that goodwill and co-operation can be legislated or collectively enforced. The Board however recommends to both parties to take advantage of the Canada Department of Labour programs of teamwork in industry (Labour-Management Consultation) to bring about mutual consultation on problems which they might not be able to solve through the collective bargaining process.

13. Pay

The Board unanimously recommends that the parties enter into an agreement for the period commencing April 1, 1971 and ending December 31, 1972 and unanimously recommends the following pay increases across the board for all employees in the bargaining unit:

April 1, 1971 to Decmeber 31, 1971 — 6.5%

January 1, 1972 to December 31, 1972 — 5.5%

The Board is unanimously of the opinion, having regard to the new status of the Mint as a Crown corporation, its new mandate from Parliament and the other factors put in evidence before the Board, that all classifications should be reviewed, defined and structured in line with this industry's requirement.

(Sgd) J.L. Lunney,
Chairman

Guy Coderre,
Member

A. Kube,
Member

Dated at Ottawa, Ontario November 27, 1971.

Report of Board of Conciliation and Investigation established to deal with dispute between:

Bell Canada

and

The Traffic Employees' Association

The Board was under the Chairmanship of Thomas C. O'Connor of Toronto, appointed by the Minister of Labour on the joint recommendation of the other members of the Board, Gordon Harrison of Montreal and Douglas Fisher of Kanata, Ont., who were previously appointed on the nomination of the company and union, respectively. The report was received by the Minister in November.

During the hearings of the Board of Conciliation, more than 70 items were agreed to and signed by the parties. However, major items remain in dispute and we will make recommendations on these matters.

Wages

The Company's wage position for the top rate in Zone 1 is $8.00 from date of signing for the first 12 months and $7.00 for the succeeding 12 months. Proportionate amounts are to be applied to the rates in other wage zones.

I would recommend a general increase of $10 per week for Zone 1, effective August 25, 1971 and an additional $9.00 per week for Zone 1, effective August 25, 1972. Proportionate amounts to be applied to the rates in other wage zones.

This Salary Adjustment will establish rates of pay for Bell Telephone Operators that are comparable to salaries paid employees performing similar work in Ontario and Québec Municipalities and Manufacturing.

Vacations with Pay

I recommend that the employer's proposal for vacations with pay be amended to provide for three (3) weeks after five (5) years of service, effective in 1972.

Alternative Starting Rate

I recommend that the present practice be continued.

Education Qualifications

I recommended that the present Company policy be discontinued.

Arbitration

I recommend that a three man Board of Arbitration be established. This matter was agreed to by the parties at the hearing of the Board of Conciliation.

Powers of the Board of Arbitration

The agreement will also contain a provision granting the Board of Arbitration in grievances dealing with Suspension Discharge and Displinary Demotion, the power to make a just and equitable disposition of the grievance.

This section together with the language was agreed to by the parties at the Board of Conciliation.

Suspensions, Dismissals & Disciplinary Demotions

I recommend that disciplinary demotions be added to the proposals which provide for the arbitration of suspension and dismissals of employees with 6 months or more of service.

Bargaining Unit Work

I recommend that the committee accept the management proposal; re: Bargaining Unit Work.

Zoning

At the hearing of the Board of Conciliation, the Company agreed to up-zone 15 localities and the Union indicated that they would agree to a three zone structure.

I recommend that the parties agree to establish a committee, which during the duration of this agreement would investigate and review the problems related to zoning.

The parties should not only consider the rates of pay in the various communities but also reference should be made to the cost of living. In addition, the terms of reference of the committee should include consideration of the present percentage differential between the zones.

Hours of Work — Traffic Employees

The present hours of work for Traffic Employees are:

Day work	—	$7\frac{1}{2}$ hours
Evening work	—	7 hours
Late work	—	$6\frac{1}{2}$ hours
Night work	—	$7\frac{1}{2}$ hours

I would recommend that these hours be continued.

Hours of Work — Dining Service Employees

The existing hours of work for Dining Service Employees are 8 hours for day work, 7 hours for evening work. I recommend that this practice be continued.

Split Tour Differential

This problem will resolve itself with a resolution of the zoning issue, and accordingly I do not make a recommendation.

Position Differentials

The Company's proposal would result in a Supervisor being paid a differential of $13.00. I believe this differential should be acceptable to the parties.

Medical Benefits Plans

The medical benefit plan is shared on a 50/50 basis. I recommend that this policy continue during the life of the agreement.

Term of Agreement

I recommend that the agreement become effective August 25, 1971 to expire October 24, 1973.

Conclusion

I recommend that the parties meet in direct negotiations with the release of the reports of the members of the Board of Conciliation and attempt to negotiate a settlement of this dispute.

Signed in Toronto, Ontario, this 2nd day of November, 1971.

Thomas C. O'Connor,
Chairman

Report of Gordon F. Harrison

I respectfully submit my recommendations concerning the above matter. . . . I am truly sorry and concerned that the Conciliation Board was not able to effect a settlement. However, after some seventeen days of meetings the Board was able to secure signatures on some eighty items. There are some half dozen points still in dispute. The most serious items are:

a) Wages
b) Bargaining Unit Work
c) Educational Starting Dates
d) Vacations

Hours of Work — Traffic Employees

The present hours of work for Traffic Employees are:

Day work	—	$7^1/_2$ hours
Evening work	—	7 hours
Late work	—	$6^1/_2$ hours
Night work	—	$7^1/_2$ hours

and in my opinion should be continued. The hours are well in line with existing schedules in the business community.

Hours of Work — Dining Service Employees

The existing hours of work for Dining Service Employees are 8 hours for day work, 7 hours for evening work. In my opinion this group of employees is in a very favourable position to the norms in industry which generally reflect 8 hours.

(Reclassification) — The reclassification principle and language has been agreed to for Traffic Employees. The reclassification principle has been agreed to for Dining Service Employees but the language must be worked out by the parties at a later date.

Split Tour Differential — I am not aware of any demand by the Union for additional localities other than Goose Bay which was raised by the Union Committee because of local transportation difficulties. Therefore, I recommend that Goose Bay only be included in the list of localities subject to split tour differentials.

Vacations

I recommend that the following table be accepted by the parties along with the "grandmother's clause" outlined below:

Years 1972	NCS 1973	Jan. to May Oct. to Dec.	June to Sept.
1	1	2	2
3	3	3	2
8	7	3*	—
15	15	4*	3
20	20	4**	—
25	25	5**	4

*up to 2 weeks may be granted in the period June through Sept.
**up to 3 weeks may be granted in the period June through Sept.

Notwithstanding the provisions of the above table, a person hired prior to date of signing of this new agreement who has one year but less than three years of NCS, shall be entitled to three weeks vacation if the entire vacation is granted outside the period May through October.

Wage Administration

Alternative Starting Rates — I recommend that the present practice be continued.

Education Qualifications — The Company has considerable conviction, therefore, I believe it desirable to quote their position:

> "Because of its size and variety of employment opportunities, the Company places considerable demands on the employment market. Employment procedures must allow prompt recruitment of sufficient applicants to fill job vacancies consistent with economical employment operations.
>
> Education credits accomplish two vital objectives; (1) to encourage students to recognize the value of education and the many social and economic benefits that accrue, and (2) provide a valuable source of talent to perpetuate the management by promotion up through the ranks.
>
> This practice is uniform for all departments in the Company and to deny one department would adversely affect its hiring capabilities and its overall position in the employment market.
>
> The Company believes that this policy supports educationalists and Government efforts to encourage higher learning and one which should be retained."

I believe that some restriction be placed on the Company, e.g. perhaps a "cap" at the fifth step of the wage plan would be in order.

Arbitration

I recommend the single arbitrator be replaced with an arbitration board and the Union's request to give the arbitration board authority to vary the penalty in cases of discipline be incorporated in the Company's arbitration clause.

Term — Duration

I believe that both parties are agreeable to a 24-month contract. The Company from date of signing; the Association from August 25, 1971.

It is also quite possible that both parties would be agreeable to a contract of 30 months dated from their respective positions. Obviously additional money and other factors might be considered in the longer term agreement.

I recommend either of these alternates.

Wages — The Company wage position for the top rate of Zone I is $8 from date of signing for the first 12 months and $7 for the succeeding 12 months. My recommended settlement would be $9 for the first 12 months, $6 for the second. 12 months, and $3 for the next 6 months of a 30-month contract from date of signing. Proportionate amounts should be provided for the top rates in the other wage zones.

The Company's policy with regard to wage rates is of extreme importance and therefore I quote it as follows:

> "To pay wages which are in good relationship with those paid in groups of like communities for work requiring similar skill, effort and responsibility and performed under comparable working conditions.

Several years ago an independent group, on behalf of the United States National Labor Board, concluded that an appropriate range of jobs in the general clerical and office occupational classifications gave an accurate and practical comparison for the operator job.

Based on this conclusion, a list of 23 jobs has been developed, applicable to the Canadian situation.

To establish guidelines in the implementation of its wage policy, the Company each year takes an extensive wage survey of those jobs in a large number of localities in Ontario and Québec. In the last wage survey conducted earlier this year, 52 localities were surveyed covering over 1700 firms and about 80,000 employees.

The most consistent information that can be obtained is top rate information. So the survey concentrates on top basic rates to which satisfactory workers may progress.

The surveys are carried out by trained interviewers who visit the firms in a locality on an appointment basis. This is seen to be a more reliable method than mail or telephone contacts since more accurate "job matches" can be obtained from personal interviews. The high degree of co-operation received from participating firms is partly attributable to the value they place on receiving the summarized results of the survey which protect the anonymity of reporting firms.

The wage survey is particularly effective for establishing the rate of wage "change" that has taken place since the previous survey. The most recent survey prior to the commencement of these negotiations indicates that the latest annualized wage change for the 23 representative jobs is 6.8%.

The results of this survey over the years has shown a close relationship with statistics published by the Federal Government for similar job classifications to those in the Company survey.

As a result of a careful study of the Company wage data, I recommend that $9 followed by $6 is sufficient for a 24-month agreement. If a further 6-month is feasible, then I recommend a further $3 per week.

Zoning — I believe the Company's proposal to upzone 15 localities approximately 19% of the localities below Zone A to be a significant offer and should be acceptable to the Union. I also support the principle advanced by the Company that this upzoning change be made effective 6 months after the date of signing.

Should the parties agree to a 30-month agreement, then I would recommend some additional places be upzoned 18 months from the date of signing.

Position Differentials

The increase proposed by the Company would result in a "Supervisor" differential of $13. This would be approximately 11.5% above the operator rate, and is on good relation to the situation that exists in other telephone companies in Canada and the U.S.A. On the average, these are currently at dollar differential rates which average 10.4% above operator rates. I therefore recommend the Company's position.

Suspensions, Dismissals & Disciplinary Demotions

I recommend that disciplinary demotions be added to the proposals which provide for the arbitration of suspension and dismissals of employees with one (1) or more years of service.

Performance of Bargaining Unit Work by Management

This is a new provision proposed by R. Doucet, the conciliation officer, and is of sufficient importance that considerable background information is required. I strongly recommend the Company's position in this matter. The Company's position is a real step forward as compared with present practices.

The most serious problem facing the parties other than money is the matter of defining bargaining unit work. It is of such importance that I believe the situation should be explained in some detail.

One of the Company's major responsibilities is to provide fast, high quality service to their customers while keeping the rates as low as economically possible. This level of service must be provided daily and hourly, every day of the week, to customers in every community. To the best of its ability, the Company schedules an operating force to provide this service based on anticipated call volumes for each office.

Sometimes the number of calls is higher than forecast, and when this happens everyone available pitches in to make sure that service does not suffer. Usually this happens in the smaller offices where additional operators are not available to help cope with unexpected demand. In these small offices, therefore, management people are called on to help out more frequently than in large city offices. It is much like the manager of a small branch store helping out on the sales counter when things get busy — it is the only way his operation is supportable in an economic sense.

During conciliation under the auspices of R. Doucet, the parties agreed that the Company would provide the Union with a letter of intent stating management would not operate, except in special circumstances, in offices of forty or more operators.

In my opinion, a commitment for a restriction on management operating in offices of under 40 operators would seriously affect the Company's ability to provide prompt service and is therefore not in the best interests of the Company or its customers.

It is evident that the Association's aims are to restrict management from doing work that is frequently performed by non-management "supervisors" as well as the operating work mentioned above.

The work in question is training and administrative work which has been delegated in varying degrees to supervisors. The amount of delegation has varied from office to office and by period of the day within an office.

Payment for assisting management with this administrative work is on the basis of a weekly differential added to the basic rate of pay for operating and which the Company has offered to increase in the new Agreement.

I believe that the Company must retain the right to direct and administer the operations of the Traffic Operating Offices. One solution might be to have the work in question completely handled by management which would eliminate the apparent confusion on the part of the Union of what constitutes bargaining unit work.

I am of the opinion that the solution mentioned above is not in the best interests of either party. It would reduce the size of the bargaining unit, and it would greatly reduce the Company's ability to effectively cope with fluctuating call volumes and varying training requirements.

My recommendation is that the Union accept the Company's offer to provide a letter of intent which would be subject to arbitration restricting management from operating on a switchboard in large offices, except under certain restricted conditions, and to drop its demand on bargaining unit work which would further restrict management's ability to administer the operating offices.

Miscellaneous

The Union requests participation in the Employee Benefit Committee along with certain undertakings in regard to the Pension Plan. As part of negotiations, these two requests were withdrawn by the Union and I recommend that they stay withdrawn.

The Union also requested additional payments towards the cost of the Medical Benefit Plan which at the moment is shared on a 50/50 basis. Earlier this year the Company, after consultation with the Association Executive, made major changes in the Company's pension plan and I therefore recommend that no further payments be made by the Company toward the cost of the Medical Benefit Plan.

(Sgd.) Gordon F. Harrison,
November 1, 1971.

Report of Douglas Fisher

1. My colleagues on this Board, Messrs. O'Connor and Harrison, showed great patience throughout the proceedings in trying to thresh out compromises between the parties, particularly on non-money items.

   Each of them has had more intense experience in industrial relations than I have had, not surprising since each is engaged full-time in such work. Perhaps it is their relative sophistication in the field which led them to behave so that they created an impression with me that their fundamental purpose was to get an agreement, not to get to the root of the issues or at the questions: Why is this union so militant and incensed? Why is Bell so adamant and supremely confident? Why have both parties prepared since long before the Board was created for a strike and/or a lockout?

   Perhaps a naive, an innocent's view of the situation has some value, particularly to the parties, perhaps to the Minister of Labour. Certainly, this minority report is almost certain to be much longer than those produced by the other two members of the Board. Before pitching into the report proper I must make one last reference to my colleagues. Much as I found them pleasant, assiduous and persistent, I was disturbed by a joint attitude that I can summarize best in a sentence from one of them: "Bell has given in quite a bit, here and there on this contract, and it isn't used to it. You can't rush a company like Bell." My response tended to be: "My God, why not rush them? Is it so generous that in 1972 Bell is finally agreeing to something like an adequate grievance procedure? "

   This dispute is more than a question of a "few bucks difference" and then "splitting the middle."

2. It was clear to me that the bargaining committee of the union distrusts the company, its policies, and the officers with whom it negotiates and the "line" officials with whom it deals during the term of contracts.

   Indeed, "distrusts" is too mild a word, "detests" is better. Good will towards the company hardly exists. When a union spokesman refers to Bell management as "Smarmy, two-faced lying bastards" it is more than windy rhetoric designed for the occasion. The TEA and most of its members, if one takes the bargaining committee seriously, believe that Bell management is mean, rotten and self-deceiving. Such beliefs may be stupid, may reflect ignorance, may reflect a frustration of the inadequately endowed. They exist. They are real. They explain, I believe, the union determination to go to the ultimate test in order to win a contract which leaves them with a decent wage and some self-respect as trade unionists.

3. The Bell committee which appeared before the Board was clearly in close electronic touch with top management. Therefore, it can be taken as an excellent, perhaps a perfect reflection of the top executives. These were estimable men—in their own lights and within the framework of the Bell management cult. I took from the words and attitudes of the Bell committee that the company has little respect for the executive of TEA, for its bargaining committee, for the work that TEA members do. In my opinion some of the patronizing attitude is male chauvinism in its most blinkered and fatuous state. But more of the patronization flows from past timidity of the union and its slow maturing to responsibility. It was rare for me to meet a management so certain of its own righteousness, so proud of its record of benevolence.

4. These stances, even myths, of each party lie behind the stubborn, elongated discussions we have taken part in and our failure to come close to sealing an agreement.

5. **Recommendation on non-monetary items**

   The distinction between monetary and non-monetary items is a bit of phoney at any time. It is particularly so in this case. The major items left in contention on the non-monetary side each had a relationship to wages or the distribution of work.

   (a) The union demanded the end of alternative starting rates. This is a "flexibility" the company asserts is necessary so that it can vary the wage rate at which it starts operators if it finds it helpful in recruiting and retaining employees.

   I recommend that the union demand for the abolition of alternative starting rates be accepted by the company. The practice represents a form of discrimination that can be applied unilaterally. Another argument the company may appreciate more is that the very need for such rates casts a slur upon its most precious instrument in bargaining, i.e., the Bell wage survey and the zoning system which issues from it.

   (b) The union demanded the end of educational allowances. This is a bonus rate the company gives to recruits to its force of operators who have matriculation or better. The justification of this practice made by the company rests on Bell's wish to encourage the educational system and to get a higher quality employee more suitable for advancement. The practice is divisive within the bargaining unit and almost laughable in these years of increasing time in school and massive retraining programs.

   I recommend that educational allowances be discontinued.

   (c) The question of bargaining unit work and who will do it.

   This is a serious issue dividing the parties, probably a strike and/or a lockout issue.

   Implicit in it, as I see it, is a pivotal part of the control and pressure for productivity that management exerts on its lowest level of management and on the operators.

   On the union side, the present interpretation of bargaining unit work is so loose, the boundaries between management (the chief operators and the assistant chief operators) and its

membership (especially, the supervisors) so irregular that it encourages the Stakhanovite methods of the company in attaining greater output.

Each side has presented a draft "letter of understanding" regarding the performance of bargaining unit jobs by management. The differences can be reduced to two points although this simplification belies the complexity of the situation.

As I understand it, the company generally has too many supervisors (who are definitely members of the bargaining unit) and at times these supervisors carry out work "on the board" and then work "on the floor" or in keeping records which is done at times by the A/COs and C/Os. Even Bell conceded it probably has too many supervisors. The union alleges that it also tends to carry too many people as C/Os and A/COs — too many that is for management purposes but not too many from management's viewpoint if the plan is to press these lower management personnel relentlessly to get high productivity norms, norms which can only be achieved by these people inserting themselves into board and floor situations.

Bell refuses to concede that its lowest management personnel shall not do work on the board or on the floor or in clerical areas, work that naturally is assumed by TEA to fall within its ambit. However, Bell has tentatively agreed during the long negotiations to declare that management shall not operate at a switchboard in those offices with 40 or more operators — except for experimentation, training and unforeseen contingencies.

The union recognizes that in small operations some flexibility in tasks must be left for C/Os and A/C/Os. It demands that the figure of the office size be set at twenty (20) operators.

Further, the union insists that management personnel must not be "scheduled" to duties which are normally those of its members, such as clerical and floor work carried on by supervisors and clerks.

I recommend a figure of thirty (30) operators as a compromise for the term of this contract.

Further, I recommend a sentence in the letter of understanding to specify that management personnel shall not perform any work normally done by members of the TEA in any offices with more than 30 operators except for training, experimentation and in extreme emergencies.

(d) Before the Board broke up the Chairman believed that tentative agreement had been reached by the parties on a number of items in relation to grievance procedure and the handling of arbitration and the questions of dismissals, suspensions and disciplinary demotions.

I concur in these matters with the chairman.

(e) The union requested participation in the Employee Benefit Committee. The Company refused, emphasizing the problems of a large company with thousands of employees drawn from several union jurisdictions.

At one stage in discussions company spokesmen suggested that an informal practice, not outlined in the contract between the parties, could be considered which would arrange for union representation along with the individual employee at a preliminary stage in a consideration of a case coming before the Employee Benefit Committee. This was one of the few examples of enlightened understanding which Bell showed to me during the negotiations. I commend the company for the suggestion, tentative though it may be, and recommend that it begin the practice in this informal way.

6. Recommendations on monetary items

Introduction

Each party presented long, analytical justifications for their positions on wages and zoning, the two major money items.

Bell used its wage survey to justify its offer of a top rate of $8 and then $7 a week over a two year contract without retroactivity and without any major changes in zoning arrangements.

The union used economic research prepared for it by consulting firms to prove the infinite capacity of Bell to meet its demands for a wage settlement of $40 over two years and the wiping out of the zoning system (which sets four different weekly wage rates). The union presentation emphasized the need for a "catch-up", a catch-up to the facts of cost of living, to the rates of operators in British Columbia and in some U. S. systems comparable to Bell.

During the bargaining, Bell came up infinitesimally in its offer, the union dropped about $7. For an appreciation of the factors which brought me to make the undergiven recommendations on wages and zoning one must read my analysis of the whole situation in Section 7 of this report.

(a) Term of agreement

I recommend a term of two years retroactive to August 24th, 1971, the date of expiry of the last agreement.

(b) Wage increments

I recommend the following weekly wage increments for the top zone within a new zone schedule based on three zones. The present comparable differences between the rates of the top three zones would be maintained.

August 25, 1971	$14.00
Jan. 1, 1972	5.00
April 1, 1972	6.00
Sept. 1, 1972	5.00

(That is, I recommend an increase of $30 in the top rate over two years. During the last year of the contract, the top rate would be $134.75. This would mean that nine months after the BC operators reached this figure, Bell operators would reach it.)

(c) Zoning

I recommend the final proposal which the union made during the proceedings of the Board; i. e., a system of three Zones A, B, and C.

Following is a list of the places in each zone.

Zoning

Zone A	Zone B	Zone C	
Alma	Goose Bay	Armstrong	Lindsay
Brampton	Kingston	Atikokan	Marathon
Chatham	Kitchener	Barrie	Megantic
Chicoutimi	Newmarket	Beaverton	Midland
Hamilton	North Bay	Belleville	Moonstone
London	St. Jerome	Blind River	Orangeville
Montreal	Sherbrooke	Bracebridge	Orillia
Niagara Falls	Sorel	Brantford	Owen Sound
Oakville	Thunder Bay	Brockville	Parry Sound

Zoning

Zone A	Zone B	Zone C	
Oshawa	Trois Rivières	Cartier	Pembroke
Ottawa	Valleyfield	Chapleau	Port Hope
Peterborough	Welland	Clinton	Red Lake
Québec City		Cornwall	Renfrew
*St. Catharines		Drummondville	Rivière-du-Loup
*Sarnia		Dryden	Ste-Agathe
*Sault Ste Marie		Foleyet	St-Felicien
*Sudbury		Fort Erie	St-Hyacinthe
Thetford Mines		Fort Francis	St-Jean
*Toronto		Geraldton	St. Thomas
*Windsor		Gogama	Simcoe
		Granby	Smiths Falls
* These places are already included in the Zone A structure		Guelph	Stratford
		Hawkesbury	Tillsonburg
		Huntsville	Victoriaville
		Joliette	Walkerton
		Kenora	Wawa
		La Malbaie	Woodstock

(d) Position Differentials

I recommend that the position differential for this contract be set and maintained at 12%.

(This is less than a point higher than the present situation and 2% below the demand of the union.)

(e) Vacations

I recommend a continuance of the present schedule and arrangements regarding vacations with this exception: that the entitlement to three weeks be extended down to encompass those with five years service.

(As I understand it from his secretary, this is the recommendation of the Chairman of the Conciliation Board).

(f) Hours of Work.

I recommend that the workday of the dining room employees be reduced from 8 to $7\frac{1}{2}$ hours; and that the night tour of operators be reduced from $7\frac{1}{2}$ to 7 hours.

(g) Medical Protection Costs.

I recommend that the company's contribution be raised from 50% to 75%, a partial move towards the complete assumption of such payments as practiced in Northern Electric, Bell's subsidiary.

(h) I make no recommendation regarding split tour differentials.

7. **Outline of the difficult and divisive factors in this dispute.**

(a) This is the first time in their mutual history that the parties have got as far as a conciliation board stage; certainly, it is the first time in the relationship that a strike or a lockout has seemed likely. Add to this the reputation of women's unions for moderation and Bell's long record of paternalism and company unionism and it is hard to repress the question: why the present difficulties?

(b) It is rare, as I asserted before, to find a management so certain that it is tactful, generous and efficient. Indeed, it is not hard to imagine that a Bell manager looks at a Bell operator with a noble forebearance thinking how lucky this woman is to be employed by such a fine company. The Bell attitude reminds me of the letters which Voltaire once sent to Catherine the Great of Russia, enjoining her to benevolent despotism.

(c) There are several rocks on which Bell has built its temple of self-worship. The first is tradition: "We've always done it this way." Or: "We've something rather different from the general industrial environment in Bell."

The second rock is the Bell wage survey, an instrument of equity for Bell, developed and sustained at great cost since 1945. This survey is a rather comic device. It reminds me of the "durable goods standard" which the CN and CP used so proudly and so briefly in wage negotiations in the '50s.

The TEA does not see the wage survey as comic. Let me explain why.

(d) Bell refuses to consider such arguments as "ability to pay" or "productivity gains" or "comparable settlements" or the rising pressures and more frenetic working conditions of these operators. Such factors are irrelevant. Its wage survey is ALL. A wage survey so thorough, so up-to-date, so fair, that all employers in Québec and Ontario clamour to be part of it, to have its results. What could be more self-satisfying to enlightened, modern managers than to fashion an instrument that not only helps Bell but also helps Canada?

There are several factors in the union's rejection of the Bell survey beyond frustration at the smug, unilateral cherishing of the survey on the company's part.

Bell is above all "a good neighbour." Bell insists that a thoughtful employer among other responsible employers cannot be a wage pacemaker in any of the communities in which it has employees. Bell encourages its management men to take part in service club activities – Rotary, Kiwanis, Gyro, etc. and Chamber of Commerce work.

Heaven forbid that Bell should distort any community's wage pattern by paying operators wages that reflect the overall wealth of the company or its leadership in an ultramodern, technological field.

Therefore, Bell surveys scores of communities, getting wage rates from employers of women. Bell works out the average scores of communities. From these averages it picks a ranking for itself that is in the middle of the scale.

This ranking must not be the top one. Why not? A Bell district manager could not face his friends at the weekly Kiwanis meeting if he was hiring women operators at the top rate in the town. You think I am exaggerating? Being silly? Not a bit. This is the justification, as I got it. This and the unmentioned utility of the wage survey in keeping operators' wages down.

Bell's wage survey determines the modest "top rate" which Bell pays; it also is the basis of the complicated, quadruple system of zoning. (It was even more complex before the previous round of negotiations.)

Zoning does not provide cheaper rates for telephone users in the communities where the cheaper wage rates apply. To get the very sophisticated reasons for this failure to pass on the benefits to the beloved customer one must go to the complex arguments presented to the rate hearings of the Canadian Transportation Commission.

Orangeville is only 60 miles from Toronto, Barrie 50 miles, Granby is just a stone's throw from Montreal, but these smaller places are scaled three zones below the nearby metropolitan centres. This kind of flexibility is excellent for

management's accounts in saving dollars, it is maddening to the operators whose conditions of work and costs of living are roughly the same throughout the system.

Another exasperation to the union is the nature of the firms surveyed and the character of the work and the work situations of the women surveyed. Bell sampling goes heavy for banks, insurance companies and law firms. These, of course, have been bastions of non-unionism and low wages. They are notorious for rapid turnover and a relatively "social" atmosphere at work. Most of the women with whom Bell ties its operators are NOT tied to a communications mechanism with all its impersonal demands, minute after minute. Most of them do not have supervision always at their elbow. The trend — as Bell proclaims proudly before the CTC when it is after higher rates — is to increased productivity by the operators and fewer and fewer operators in Bell operations.

In figurative language, the women of TEA have an anchor around their necks, draped there by the company, whenever, money is discussed. The anchor is the host of non-unionized female workers in offices, whose low rates, when reflected in the Bell survey, are the means Bell has chosen to keep the TEA down.

There is an infuriating corollary to Bell's penchant for wage surveys, infuriating that is, to the TEA. Bell is fond of pointing out how satisfied so many of its other non-TEA workers are, particularly in the crafts. Why not? Here the reverse is true. The Bell craftsmen are piggy-backing on the tough trade unionism in the trades in construction and manufacturing. As one of the women on the bargaining committee so elegantly phrased it: "We get hosed, fore and aft coming and going."

To repeat, Bell ties all discussion on wages for operators to its wage survey. It is impervious to arguments such as:

ability to pay;

the increasing productivity of operators and the very high productivity — comparatively speaking — of Bell operators;

the increasing tensions and pressures of the job as supervision tightens and as norms are raised;

the basic needs and/or the cost of living;

or the comparable rates of operators in other large, busy North American operations.

(e) There is much more than just the wage survey in the net of restraint and pressures with which Bell gets the services of its operators at such a good rate for its books.

There is ZONING — which stems from the wage survey and Bell's good neighbour policy.

There is the vague boundary between management work and bargaining unit work.

There is the use of "regular part-time" and "temporary" employees.

There is the assignment from on high of productivity quotas which force C/Os and A/C/Os onto the floor and boards so they can "get their figures up." This high pressure exploits what the operators call "excused time" and Bell calls "requested time off without pay."

There is the wide variety of shifts (nothing as simple as three or four) which operators work.

Above all, psychologically, there is the Bell pressure on the operators to be nice, to be ladylike, to get their "count" up.

(f) A case can be made that the worst victims of Bell management policies are the C/Os and A/C/Os sandwiched between the TEA members and the line management above.

(g) It is worth noting again and again that Bell is a huge company with enormous resources and excellent profits. While the operators recognize the role of both heavy capital investment and the wizardry of expensive, ultramodern technology in creating the revenue and the profits, they also know that they are the main, personal inter-face of the corporation with the public and that much of Bell's vaunted efficiency comes from their efforts. Like Oliver Twist, they are asking for more, more of their share of the pie, unladylike though it may seem to Bell.

(h) In the long hours of this Board's activities we heard Bell reject union demands again and again. This is not unusual or surprising. "What we have, we hold," is a fine motto for either management or labour in contestations. But what I heard time and again as a reason for the rejections was the company's requirement for "flexibility."

To give good consumer service, to ensure readiness at all times to man the wires, the switchers and the impulses, Bell must have flexibility. Therefore, it must retain the custom of using management personnel in work which falls clearly within the TEA unit; Bell must retain the melange of part-time and temporary employees to give it flexibility at high points in the week, low points in the week, high points in the year, low points in the year, high points in the day, low points in the day.

Bell must retain alternative starting rates and educational bonuses to give it flexibility.

Bell uses "excused time", supposedly something mutually agreed to by the operator and her immediate superior, to give it even more flexibility, including a lower wage bill through openings — often as brief as 15 minutes — within the bargaining unit into which its lowest management is forced to step in order to meet managements' requirements.

(i) In most other communications and transport operations distinguished by widely varying volumes of business, corporate management pays through bonuses and premiums for flexibility and high pressure work modes. Not Bell.

Well . . . reasonableness, persuasion, arguments, won't make Bell budge.

Strength will, and economic penalties which the operators may be able to exercise may move Bell. If the women of TEA are determined and loyal to each other, if they can marshal the support of the people who use this public utility! The challenge to TEA is a hard one. Bell is a huge, powerful, self-satisfied monolith of a company.

It requires no clairvoyance by me to predict that to bring Bell into 1972 and contemporary wages and a contemporary contract will require a tough, bitter strike or lockout.

It is my recommendation through this report to the operators that they should not consider settling for much less than the terms I have recommended because these terms are fair and what they deserve.

(Sgd.) Douglas Fisher

November 2, 1971.

Report of Board of Conciliation and Investigation established to deal with dispute between:

Alaska Trainship Corporation

and

Seafarers' International Union of Canada

The Board was under the Chairmanship of B. W. Dysart of Victoria, appointed by the Minister of Labour in the absence of a joint recommendation from the other members of the Board, R. A. Mahoney and John Brown, both of Vancouver, who were previously appointed on the nomination of the company and union, respectively. Although the report is signed by all three members, Mr. Brown has made minority recommendations covering wages and rates of pay associated with "laid up ships" and "working cargo." The report was received by the Minister in December.

This was a Board of Conciliation appointed to endeavour to bring about agreement between the parties in relation to the matters in dispute and report its findings and decision to the Minister of Labour.

Both parties agreed that the Board was properly constituted and had jurisdiction to hear the issues in dispute and make a report of its findings and recommendations.

The Board held hearings in Vancouver and heard the parties on November 9th, 10th, 12th, 18th and 19th, 1971, subsequently the Board held discussions and deliberation on its findings and recommendations.

The Board recommends that the parties enter into a collective agreement in the same form as the predecessor agreement (Exhibit 1 — not reproduced here) subject to the following changes.

Delete Section I of Article I and substitute the following:

UNION RECOGNITION

I The Company recognizes the Union as the duly certified sole collective bargaining agent for all unlicensed personnel specified herein employed in the deck, engineroom and Stewards' departments of the vessel owned and/or operated by the Company signing this Agreement.

Where a business, or a part thereof is sold, leased or transferred during the term of this Agreement, the Agreement shall bind the purchaser, lesee or transferee to the same extent as if it had been signed by him.

Where a vessel covered by this Agreement is chartered to a wholly owned or controlled subsidiary company this Agreement shall continue to apply.

Where a vessel covered by this Agreement is owned by a wholly owned or controlled subsidiary company and is returned to the owner, this Agreement shall continue to apply.

In any of the above circumstances the following will apply. That the vessel when chartered as above set forth is continued in operation in the waters off of and adjacent to the Coast of British Columbia and/or Alaska.

In the case of short term (i.e. up to six-week charter) to operate off the West Coast of the Continental U.S.A. or Hawaii the above shall apply.

In any other area of the world, this section shall not apply. However, if the vessel returns within a two-year period to operate in the waters off of and adjacent to the Coast of British Columbia and/or Alaska, this collective agreement will be in full force and effect.

The term unlicensed personnel as used in the Agreement does not include the Masters, Mates, Engineers, and Radio Operators sailing on these vessels.

II **Article I, Section 13**
Delete the words one hour (1) on the second line of paragraph (a) and substitute the words fifteen (15) minutes.

III **Article I, Section 19**

Delete Section 19(a)6 and substitute the following:

"All mattresses to be spring filled (or firm rubber foam). Any complaints concerning mattresses will be brought to the company's attention by the Union patrolman and, when after joint inspection, it is deemed necessary, the mattress (or mattresses) in question shall be changed."

Article I Section 32 Welfare Plan

IV Replace present clause with the following:

The Company agrees to continue to provide a Welfare/Group Insurance Plan to all categories of employees presently covered. Such plan to be in lieu of Canadian Seafarers' Welfare Plan, with the costs thereof to be borne solely by the Company. It is further agreed that when the current amendments to the Unemployment Insurance Act and Regulations thereto are finalized and the provisions and benefits of such legislation become effective and applicable, the Company and the Union are agreeable to negotiate, in conjunction with the Underwriters, appropriate amendments to the Company Plan in order to avoid duplication or overlapping of benefits, including the possibility of opting out of the Unemployment Insurance Sickness and Accident provisions.

The schedule of Insurance shall be as follows:

Classification	Life Insurance	Accidental Death and Dismemberment	Weekly Income
1. Employees earning under $4,500 annually	$ 4,000.00	$ 4,000.00	$ 45.00
2. Employees earning $4,500 but under $5,500 annually	6,000.00	6,000.00	60.00
3. Employees earning $5,500 but under $7,000 annually	8,000.00	8,000.00	75.00
4. Employees earning $7,000 but under $8,500 annually	10,000.00	10,000.00	90.00
5. Employees earning $8,500 and over annually	12,000,00	12,000.00	105.00

provided that each employee shall be covered to the maximum as required by UIC regulations which at present is expected to be a minimum of sixty-six and two thirds per cent (66 2/3%) of his earnings up to a maximum of $100.00 per week.

The Employer shall also provide a Dental Plan based on a $100.00 payment of Basic Dental care and $50.00 payment of prosthetics on a 50-50 cost sharing basis, with the employees, provided the employees in a secret ballot vote held by the Union, vote in a majority to take the said dental plan.

Delete Article 2, Section I and substitute the following:

ANNUAL VACATIONS

V (a) Employees with less than five years service shall be paid vacation pay and receive vacation in accordance with the "Canada Labour Code" (i.e. 4% and 2 weeks vacation for a year's service).

(b) Employees who have completed five years continuous or accumulated service shall be entitled to three weeks vacation with pay at 6% of gross earnings for their fifth year of service.
(This means that the employee who completes five years service is, at the time he completes the fifth year, entitled to 3 weeks vacation at 6% of earnings for his previous year.) Such vacation need not, however, be taken or granted until a convenient time up to ten months following the anniversary date.

(c) Employees terminating their employment who have completed five years or more of service shall be paid all vacation pay due them up to the date of leaving at 6% of gross wages basis. All others shall be paid vacation pay due them up to the date of leaving at a rate of 4% of gross wages.

(d) Annual vacation may be utilized by the crew members at their discretion or convenience.

Article 2, Section 5(a)

VI Add the following as a third paragraph:

"It is understood that the night meal break provisions have no application to normal watchkeeping."

VII **Article 2, Section 8 (b) wages on laid up ships**

It is recommended that the present hourly rates for wages on laid up ships be increased by the same percentage increase (to the nearest cent) as the increase in the monthly wage rate. Such increases to take place on the same dates as the changes in said monthly wage rate.

VIII **Article 2, Section 9**

New paragraph as follows:

"There shall be absolutely no chipping after 5:00 p.m. or before 8:00 a.m. for any reason whilst the vessel is in operation."

IX **Article 2, New Section to be added**

When a member of the unlicensed watchkeeping personnel has worked long hours on a continuous basis and is engaged in securing of cargo at sea, he may, at his discretion, request of the Deck Officer in charge, that he be knocked off four hours or less prior to assuming his scheduled watch. Under conditions where the cargo securing process can be completed without delay to the vessel leaving sheltered waters, such request shall be granted. However if the vessel during the life of this Agreement should come under the D.O.T. regulations, then such shall prevail.

X **Article 2, Section 12 (working cargo)**

It is recommended that the present working cargo rates be increased by the same percentage increase (to the nearest cent) as the increase in the monthly wage rate. Such increase to take place on the same dates as the changes in said monthly wage rate.

XI **Article 5**

Delete first and second paragraphs of Section 3(a) and substitute the following:

"Oilers on watch shall perform routine duties: Oil main engine, auxiliaries, steering gear, steering motors, shaft bearings, air conditioning machinery; clean lub oil purifiers and assist Engineer with operation of same. They shall also assist the Engineer in all matters pertaining to the safe working and general service maintenance of the vessel and its machinery.
They shall also check and record temperatures and pressures as required, pump bilges, clean and change feed water filters, check lub oil sump tank levels of the main and auxiliary turbines as may be necessary, check and inspect DC heater and oil gravity tanks when required. They shall assist in the blowing of tubes by handling soot blowers."

XII **Delete Sections 3(b) with the exception of the fifth paragraph** (5) and substitute the following:

"Fireman shall perform routine duties, keep burners, drip pans and fuel oil strainers clean on all watches, punch carbon, keep steam, watch oil pressure, check temperatures and shall tend water. They may be required to handle soot blowers when assisted by the Oiler. They shall also assist the Engineer on watch in all matters pertaining to the safe working of the vessel and its machinery.

While on watch, they shall not be required to leave their stations for purposes of repair maintenance to machinery and/or equipment.

At the discretion of the Chief Engineer, two (2) firemen shall be turned to if conditions such as poor fuel oil or water in fuel exist, thus necessitating continuous cleaning and/or changing of burners, strainers or filters.

The Fireman-Watertender on watch shall be assigned to keep clean a designated area of the Fireroom which is not below the floor plates or behind the boilers or seven (7) feet above the deck plates. Such on watch cleaning duties shall exclude the cleaning of fuel oil pumps.

Fireman-Watertenders shall clean smoke glasses as required. This work may be done on or off watch at the Chief Engineer's discretion. Payment for this work shall be a minimum of one (1) hour's overtime if performed on watch or two (2) hours' overtime if performed off watch."

XIII **Section 3(c)**

Retain first paragraph of Agreement language.
Retain second paragraph of Agreement language.
Retain third paragraph of Agreement language.
Delete other paragraphs of Agreement language, replacing same with the following paragraphs as mutually agreed upon 7/27/71 and 8/11/71.

"The cleaning of bilge and ballast strainers and the cleaning of fuel oil transfer pump suction strainers is to be considered part of routine maintenance and as such may be considered a part of the Engineroom Maintenance Man's duties.

Engineroom maintenance shall assist the Electrician in the process of connecting and disconnecting rail car reefer cables and dependent upon the number of such cars, no less than one man of this rating shall be required to turn to for this work for which the prevailing cargo rate shall be paid when on watch.

Engineroom Maintenance engaged in handling deck lines and/or loading of forty-five (45) gallon or larger drums for stowage on car deck under conditions whereby such drums are rolled over the rails and through the stern door shall be regarded as duties for which the prevailing overtime rate will apply."

Section 3(d)

Language as indicated hereunder mutually agreed upon 8/11/71.

"The Electrician shall clean, maintain and repair all electrical equipment, motors, motor generators, switchboards and all related equipment and housing when directed by the Engineer on watch or the Senior Engineer. The Electrician may be directed by these Engineers to do any required work on the electrical system of the vessel.

The Electrician shall connect and disconnect rail car reefer cables (assisted by Engineroom Maintenance) and shall check and record reefer temperatures as directed for which the prevailing cargo rate shall be paid when on watch.

The Electrician shall maintain and keep charged as directed, all batteries not related to the radio room, including, but not limited to emergency generator batteries and I.C. batteries.

The hours of work for the Electrician shall be 8:00 a.m. to 5:00 p.m. with one (1) hour off for lunch.

In providing assistance to the Electrician, any crew member performing the duties of this rating shall be compensated at the prevailing overtime rate."

XIV **Article VI Section 8**

We recommend that the wage rates contained in this section effective November 1st, 1970 be increased by fifteen (15 dollars) per month for four months each year, namely June 1st till September 30th.

XV **Wages and Overtime**

We recommend that all monthly wage rates contained in Article 3 of the present agreement be increased as follows:

July 1st 1971	$55.00 per month increase
July 1st 1972	55.00 per month increase
July 1st 1973	27.00 per month increase

XVI We recommend that the wages and overtime rates contained in this report effective July 1st 1971 shall be retroactive and paid to any person claiming same, who has worked for Alaska Trainship Corporation any hours in any job covered by categories as set out in this Agreement subsequent to June 30th, 1971. The remainder of the Agreement to become effective as at the date of agreement between the parties.

XVII We recommend the above Agreement expire on December 1st, 1973.

XVIII We also recommend that the entire new Agreement be renumbered similar to the B.C. Towboat Agreement with the Seafarers' International Union.

Mr. Brown disagrees with recommendations VII, X and XV and will make a minority report on these items.

DATED at Vancouver this 30th day of November, 1971.

(Sgd.) B.W. Dysart,
Chairman

R.A. Mahoney,
Member

J. Brown,
Member

MINORITY REPORT OF J. BROWN

While I am in agreement with most of the findings in the report. . . in respect to the dispute between the Seafarers International Union and the Alaska Trainship Corporation, there are three basic items which I have to disagree with.

These are as follows:

1. **Wages**

I feel that the wage rates on the Alaska Trainship Corporation vessel Alaska for the unlicensed crew should be identical to those prevailing at Northland Navigation for that period of July 1st, 1971 to December 31st, 1971. A rider should then be attached to the wage clause stipulating that after January 1st, 1972 whatever wages were settled in the forthcoming negotiations with Northland Navigation, the same should apply to the crew of the Alaska.

2. **Laid Up Ships**

The actual increase in wages received on the regular wage should be divided by 173 hours and this amount added to the present wage rate effective from November 1st, 1970, on laid up ships, and that these rates should be continually adjusted on the same cents per hour increase as that which becomes effective with each wage increase.

3. **Working Cargo**

The last item is working cargo rates, which for those rates which come under the heading of **on watch** should be increased by the same method as set out above for Laid Up Ships, and those coming under the heading of **off watch** should be increased by an additional 20% above the actual increase to be added onto the **on watch rates,** this would continue the past and present practice of having a higher rate and increase for those off watch than those on watch.

(Sgd.) J. Brown

December 2, 1971

Report of Board of Conciliation and Investigation established to deal with dispute between:

Air Canada
and
Canadian Air Line Employees' Association

The Board was under the Chairmanship of Stanley H. Hartt of Montreal, appointed by the Minister of Labour in the absence of a joint recommendation from the other members of the Board, Homer Payette of Toronto and Douglas Fisher of Kanata, Ontario, who were previously appointed on the nomination of the company and union, respectively. The majority report is signed by the Chairman and Mr. Fisher. A minority report was submitted by Mr. Payette. The report was received by the Minister in December.

Meetings of the Board with the parties were held in the City of Montreal, Québec on the 7th, 8th, 9th, 10th, 11th, 12th and 13th December, 1971, pursuant to an extension of the mandate of this Board until December 14th, 1971, which was executed by the representatives of the parties on December 7th, 1971.

When the Board commenced its meetings with the parties, the following were the open items:

1.04 (e)	Branch — definition
1.04 (f)	Requirement of service — definition
1.04 (j)	Base — definition
1.04 (k)	Location — definition
1.04 (m)	Physical requirements — definition
1.04 (n)	Language requirements — definition
1.04 (o)	Reassign — definition
1.04 (p)	Related duties — definition
2.01	Union recognition
2.03	Non-bargaining unit personnel performing bargaining unit tasks
3.01	Reservations of management
4.01	Scope of the Agreement
4.02	Classification — passenger agent
4.03	Classification — communications agent
4.04	Classification — switchboard operator
4.05	Reclassification or creation of new classification.
5.03	Pay progression
5.04	Rates of pay
5.05	Shift premium
5.06	Applicable shift premium to overtime.
5.08	Longevity pay
6.01	Hours of work
6.06	Shift and work schedule changes
6.12	Employee-requested shift changes
7.03	Overtime pay
8.03	Temporary assignment to management classification
8.04	Relief by Sales Department employees not covered by the Agreement
8.05	Limitation of temporary assignments to management classification
9.07	Term employment
Article 10	Seniority
10.07	Retention of seniority
10.08 (e)	Loss of seniority
11.01	Voluntary leave of absence
11.02	Seniority during voluntary leave
11.04	Sick leave
11.05	Maternity leave
11.06	Leave for Union business
12.02	Employee requested transfers between locations.
12.05	Withdrawal of request for transfer
12.07	Employee requested transfers inter-base
12.09	Withdrawal of request for transfer
12.14	Withdrawal of employee classification request
12.16	Renewal of transfer and reclassification request
13.01	Statutory holidays
13.02	Advance notice
13.03	Holiday pay on statutory holidays
14.01	
14.02	Vacation entitlement
14.03	
14.04 (a) and (b)	
14.05	Split vacation entitlement
14.06 (a) and (b)	Selection of vacation quarters and dates
14.07	Restriction of vacation dates
14.08	Exchange of vacation dates
14.10	Advance vacation pay
14.11	Vacation during leave of absence
Article 18.	Bilingualism
18.03 (d)	Corporate Management Committee level meetings
18.04	Time off — Union activities
18.08	Orders in writing
18.10	Technological Changes and severance pay
Article 20	Duration
Letters 1 and 4	Part-time employment
Letter 2	Vacation benefits
Letter 5	Group Insurance
Letter 6	Language requirement
Letter 7	Pension

At the outset of the hearings, the parties agreed that the only feasible way to proceed to resolve such a lengthy list of outstanding items was to finalize specific texts wherever possible and to sign or initial the same, on the understanding that neither party was bound to consider the items in question as settled until an entire agreement had been reached.

We are pleased to report that the Board was successful in finalizing texts on the vast majority of the foregoing outstanding items or in bringing the parties to agreement that the demands on

particular items should be dropped. Attached hereto are the texts, duly initialled by the parties' representatives relating to the following items:—

1.04 (e)	10.08 (e)
1.04 (j)	11.01
1.04 (k)	11.02
1.04 (n)	11.04
2.01	11.06
4.01	12.05
4.02	12.09
4.03	12.14
4.04	12.16
4.05	13.02
5.06	Article 14
6.06	14.06 (a)
6.12	14.07
7.03	14.08
8.03	18.03 (d)
8.04	18.04
8.05	Letter of Understanding 6
10.01 (c)	Letter of Understanding 8
10.07	

In addition to the foregoing the parties agreed that the agenda items relating to the following matters be dropped from discussion:—

1.04 (f)	14.02
1.04 (m)	14.03
1.04 (o)	14.04 (a) and (b)
1.04 (p)	14.05
2.03	14.06 (b)
3.01	14.10
5.03	14.11
6.01	Article 18 — Bilingualism
9.07	(resolved by letter of
Article 10 — Base seniority	understanding number 6)
12.02	18.08
12.07	18.10 — Severance Pay
13.01	Letters 1 and 4
13.03	Letter 2
14.01	Letter 5

Whatever may be the technical status of the agreements between the parties recorded above, we would suggest that the ultimate disposition of this dispute should, insofar as the Articles enumerated above as having been resolved as to text or dropped are concerned, reflect these agreements of the parties and we would recommend them as the basis of the disposition of those matters in each case.

During further discussion, the Board was able to obtain agreement of the parties on three additional matters which, although the texts of the same were not signed or initialled should be resolved in accordance with the agreements reflected below. These matters are as follows:

(a) Maternity Leave (Article 11.05)

"Maternity leave of absence without pay shall be granted to employees, who have completed twelve (12) consecutive months of continuous employment in the Company, in accordance with the following — The employee must request her leave of absence in writing, accompanied by a medical certificate certifying pregnancy and specifying the estimated dates of her confinement, four (4) weeks prior to the date she intends to commence such leave. Maternity leave shall commence not more than ninety (90) days or less than forty-two (42) days prior to the estimated date of termination of pregnancy except upon agreement between the employee and the Company supported by a medical certificate. The leave of absence shall terminate not later than forty-two (42) days following termination of pregnancy. However, the number of such days may be reduced or extended by agreement between the employee and the Company and supported by a medical certificate. The employee shall be reinstated in her former function or in a comparable function at her Base. Reference herein to a medical certificate shall mean a certificate signed by a qualified medical practitioner chosen by the employee."

(b) Technological Changes

Add to present language:

"In the event legislation is enacted by the Federal Government (e.g. Bill C-253), the provisions therein governing technological changes shall prevail."

(c) Pension Plan

The Company will give the union an undertaking to the effect that the Company will make available to the Union on demand full information pertaining to the CALEA group for the purpose of studying the feasibility of establishing a separate pension plan applying to employees covered by the Air Canada-CALEA Agreement.

As the foregoing review indicates, only articles 5.04 — Rates of pay; 5.05 — Shift premiums; 5.08 — Longevity premiums and 20 — Duration, were not resolved between the parties before the Board.

Before addressing ourselves to our specific recommendations with regard to the money items which the Board was not able to resolve with the parties, we believe that a few general remarks would be in order.

The Union represents some 2,000 passenger agents and communications agents in the employ of the Company. Its latest agreement with the Company expired on September 30th, 1971 and the parties have been negotiating its renewal ever since. Despite the intervention of an industry specialist on the staff of the Department of Labour, and of two Departmental Conciliators, the parties had still not resolved a great number of matters before the commencement of the proceedings of this Board.

While the relationship between the parties seemed cordial enough, it is clear that the slow progress of negotiations both before and during the Conciliation Board stage was due, at least in large measure, to a deep-rooted suspicion on the part of the Union negotiating committee of management's attempts to obtain greater flexibility in the allocation and assignment of its work force. This suspicion, no doubt fostered by what appears to have been inconsistent and sometimes overly-technical applications of the terms of the existing Agreement by various levels of supervision in different bases throughout the country, was mitigated by some extremely frank exchanges between the parties which this Board earnestly hopes will be a starting point towards a new style of industrial relations between the employer and the CALEA bargaining unit.

The parties submitted elaborate briefs outlining not only the historical progress of the negotiations and the positions of the parties, but also containing argumentation in support of these positions, especially on the money issue. Unfortunately, the discussions on normative provisions exhausted so much of the Board's available time that the money issue was not debated as fully as it might have been.

The employer has employees under a great many classifications and bargaining units apart from the CALEA unit and also a substantial number of unorganized employees. Naturally, the treatment which the employer establishes for or negotiates with other groups influences the negotiations with the CALEA unit. It was the submission of the Union that, of the various organized groups, the most appropriate for comparison was that represented by the International Association of Machinists and Aerospace Workers. That group has signed an Agreement with the Company effective March 1st, 1971, which provided for an 8% increase effective March 1st, 1971 and a further 7% across-the-board increase in rates of pay effective February, 28th, 1972. The Machnists' Agreement also provided for a special adjustment of $6.00 per month in the existing top level of the salary scale, after giving effect to the 8% across the board increase, effective March 1st, 1971 and a further such special adjustment fo $7.00 per month on February, 28th, 1972.

The appropriateness of the comparison with the IAM bargaining unit, as the Union sees it, is not so much a similarity of functions or working but an historical congruence of the economic provisions of the contracts for the two groups. It would appear that for some time the CALEA group had a slight salary advantage over the Machinists' unit but that this was lost, and the IAM group achieved a slight salary advantage in 1967.

Without commenting on the appropriateness of following the IAMAW group as a precedent based on this historical pattern, we are prepared to state that we think that, in principle, it would be appropriate to adjust the rates of pay and other financial provisions of this Agreement on a basis similar to that effected between the Company and its Machinists. Indeed, the Union alleged that the Company had, during negotiations, promised that the financial adjustment would be the equivalent of what was given to the IAM. Although the Company denied this, the principal disagreement between the parties appears to centre around what "equivalent" means in the context. If one looks at the historical relationship between the salary scales in the two contracts, as does the Union, there would appear to be a gap to be closed from the point of view of time, and it would be most material when the second across-the-board adjustment to rates of pay was made effective. The Company, of course, looks at the CALEA contract as quite a separate entity and would relate the effective date of salary adjustment to the duration of the contract and not to when increases became effective for members of another bargaining unit.

In view of the fact that the parties' respective positions on money matters were not given to the Board in confidence, but rather were meant for the specific attention of the other party, we think it would be in the interest of clarity to reproduce them here before proceeding to make our recommendations for the resolution of the four remaining items in dispute. The following table indicates the respective positions of the Company and the Union:

ITEM	UNION	COMPANY
Rates of Pay	A 9th 26-week period would be added to the present salary scale providing for a $13 per week increment over the highest (presently 8th) 26-week period. Then, effective October 1st, 1971, an 8% general across-the-board increase and effective May 1st, 1972 a further 7% general across-the-board increase.	Effective October 1st, 1971, the weekly rates of pay would be increased by 8%; effective November 1st, 1972 the weekly rates would be increased by an additional 7%. In addition to the 8% increase effective October 1st, 1971, a special adjustment of $6.00 per month would be applied at the top of the scale (i.e. 8th 26-week period only) after the 8% adjustment. In addition to the 7% increase effective November 1st, 1972, a special adjustment of $7.00 per month would be applied to the top of the scale (that is 8th 26-week period only) after the 7% adjustment.
Shift Premium	Effective October 1st, 1971 afternoon shift .19c per hour, night shift .26c per hour. Effective January 1st, 1972 afternoon shift .24c per hour, night shift .31c per hour.	Effective October 1st, 1971 afternoon shift .19c per hour, night shift .26c per hour. Effective October 1st, 1972 afternoon shift .24c. per hour, night shift .31c per hour.
Duration	24 months (with a revised duration clause as to text).	27 months.
Retroactivity	Full	Adjustments as aforesaid as to effective date. Overtime will be paid retroactively to October 1st, 1971.
Longevity Pay	Until December 31st, 1971 a premium of .4c per hour effective with the beginning of the pay period following the completion of ten years of service; effective January 1st, 1972 the foregoing ten year premium would be retained but the premium would be increased to a premium of 8c per hour effective with the beginning of the pay period following the completion of 20 years of service.	Present longevity premium until September 30th, 1972. Effective October 1st, 1972 longevity pay of .4c per hour effective with the beginning of the pay period following the completion of ten years service.

Our recommendations are as follows:

Rates of Pay

We recommend that the parties dispose of this item on the following basis: a 9th 26-week period to be established and added to the present salary scale effective October 1st, 1971, with the applicable rate established by adding $13.00 per month to the present monthly figure for the 8th 26-week period (so that the monthly salary for employees falling into this category would be $725.01); then, effective October 1st, 1971, a general increase of all rates of pay of 8%. A further 7% general across-the-board increase to rates of pay to be effective September 1st, 1972.

Shift Premium

Effective October 1st, 1971 afternoon shift .19c per hour, night shift .26c per hour. Effective July 1st, 1972 afternoon shift .24c per hour, night shift .31c per hour.

Longevity Pay

4c per hour effective with the beginning of the pay period following the completion of ten years of service until December 31st, 1971. Effective January 1st, 1972 a premium of .4c per hour effective with the beginning of the pay period following the completion of ten years of service and of .8c per hour effective with the beginning of the pay period following the completion of twenty years of service.

Duration

24 months (Agreement effective October 1st, 1971 and expiring September 30th, 1973).

The following text is recommended as the text of Article 20.

20.01 "This agreement shall become effective October 1st, 1971, except as otherwise provided herein, and shall continue in full force and effect until September 30th, 1973, subject to Article 18.10, and may be varied by mutual agreement, in writing, between the parties hereto. It shall remain binding thereafter from month to month, unless notification, in writing, to reopen the Agreement is served by either of the parties hereto on or before 90 days prior to the expiry date, or any continuation of expiry date on a month to month basis, subject always to Article 20.03.

20.02 Where notice to bargain collectively has been given, the Union and the Company shall, without delay, commence to meet diligently to bargain in good faith and make every reasonable effort to enter into a Collective Agreement.

20.03 This agreement shall remain in full force and effect until superseded by another agreement or until all the requirements of the prevailing Federal laws have been met and no agreement has been reached."

Retroactivity

We recommend that except where other effective dates for increases or adjustments are set forth above, there be full retroactivity to October 1st, 1971.

DATED at MONTREAL this 14th day of December, 1971.

(Sgd.) Stanley H. Hartt
Douglas M. Fisher

Report of H. M. Payette, Member

The Union has not put forth any reasons to substantiate a change in the historical relationship between the passenger agents and other classifications covered by the I.A.M.A.W., nor have they put forth any reasons to depart from the pattern of wage increases granted by the Company. Therefore I can agree with the chairman's statement that it might be appropriate to adjust the monetary issues of this agreement on a basis similar to that negotiated by the I.A.M.A.W. or the pattern set by all bargaining units within Air Canada.

However, I submit that this Board must be concerned with this approach in all other matters as well. Therefore I concur with the recommendations as contained in the chairman's report with the exception of the following: rates of pay, longevity, retroactivity and term of the agreement. To be as consistent as possible with the information available, I would recommend as follows:

Rates of Pay

Although the chairman's recommendation to add a 9th 26-week period ($13.00 per month) to the present salary scale may appear to equate the $6.00 and $7.00 special adjustment to the top of the I.A.M. pay scales, this in fact is not so. In the case of the I.A.M. settlement the $7.00 special increase does not apply until the second period of the agreement and, further, both special adjustments ($6.00 and $7.00) were applied after the percentage increases. Consequently the chairman's recommendation is both "front end lodged" and has a "compounding effect" which will result in considerable additional cost to the Company. Therefore I recommend the following:

(a) Effective October 1, 1971, and 8% increase across the board.

(b) Effective October 1, 1971, an adjustment to the wage scale of $6.00 per month applied only to the 8th 26-week period after the 8% increase.

(c) Effective November 1, 1972, a 7% increase across the board.

(d) Effective November 1, 1972, an adjustment to the wage scale of $7.00 per month applied only to the 8th 26-week period after the 7% increase.

Longevity Pay

It would appear that there is a typographical error in the second line of the chairman's report under this item. It is assumed that the ten years should have read eleven years. Aside from this, to my knowledge, the Company's proposal in this matter is exactly as contained in the I.A.M. agreement with the probable exception of effective dates. Therefore I would recommend:

Effective October 1, 1972 – the qualification for longevity pay of 4c per hour should be ten years in lieu of the present eleven years.

Retroactivity

The chairman has recommended that there be full retroactivity to October 1, 1971 with the exception of other dates as set forth. I suggest that this will expose the parties to possible future conflicts since many other changes to the agreement have been agreed to which would either have no retroactive effect or would be impossible to implement retroactively. Therefore I would recommend that with the exception of the effective dates of increases and adjustments as set forth the other changes to the agreement be effective on the date of signing.

Duration

The agreement to be effective October 1, 1971 and continue until December 31, 1973.

(Sgd.) H.M. Payette,
Member

It is agreed by Company and Union representations to amend the following articles:

1.04 (e) Branch – means, for the purpose of this Agreement, branches designated as such in the Organization of the Company Regulations Manual, e.g., Maintenance Branch, Purchasing & Facilities Branch, Customer Service Branch, etc.

1.04 (j) Base means a geographic area served by the Company where covered employees are employed. A Base (e.g. Montreal/Dorval, Toronto/Malton/Hamilton) may contain more than one location.

1.04 (k) Location – means an office or place of business within a base where covered employees are employed.

i.e. SO – Sales Office(s)

RO – Reservation Office

APO – Airport Passenger Office

1.04 (n) Language requirements – for the purpose of this Agreement shall refer to French/English bilingual requirements.

The Company and the Union shall each appoint four (4) members who (or their alternates) shall serve as a Special Joint Committee on language. The Committee will be formed within six (6) months of ratification and will render its report within another six (6) months thereafter. The mandate of the Committee will be to examine the application of the Official Languages Act, and the commercial requirements of the Company regarding language as they apply to covered employees, and, if its report is unanimous, such report will have the effect of an agreement supplemental to this collective agreement and will bind the parties. Pending such report, or in the absence of a unanimous report, it is agreed that the Company will make no changes in its present policy regarding language except to comply with the provisions of the Official Languages Act.

2.01 The Company recognizes the Union as the sole bargaining agent for all employees covered by this Agreement.

4.01 All personnel of the Customer Service Branch within the territorial limits of Canada and within the following defined classifications are covered by this Agreement.

4.02 Passenger Agent – Comprises all those employees who perform passenger sales and service functions including handling telephone contacts with the public, disseminating information, making reservations, processing reservations messages, assembling reservations data, issuing tickets, serving the public at Sales and Airport counters and gate locations, acting as Ground Hostesses, and performing other related duties to any of the foregoing.

4.03 Communications Agent – Comprises those employees engaged full time in communications work who process and monitor reservations messages and forms and may perform passenger agent duties.

4.04 This Article is deleted

5.04 Reference to Switchboard operators is deleted.

4.05 The Company may reclassify employees or create new or different classifications covering tasks related to or performed under this Agreement. If such classification comes within the recognition or certification of CALEA it is agreed that CALEA may open the Agreement and negotiate the wages for such classification; unless the change occurs within ninety (90) days prior to the termination of the Agreement in which case the new rate will become a part of the normal bargaining process.

5.06 The shift premium applicable to overtime shall be based on the start of the shift worked or the start of the overtime, whichever is the greater premium.

6.06 (a) When an employee's shift is altered, the Company will advise the employee personally by use of the form provided in 6.06(c) at least seventy-two (72) hours in advance.

(b) The Company shall not change an employee's work schedule (the projection of the employee's shifts with regard to days worked to days off) unless it advises the employee personally by the use of the form provided in 6.06(c) at least two (2) weeks in advance.

(c) Where notice of shift alteration or work schedule alteration is given to an employee under the provisions of Article 6.06(a) or (b), the following form shall be used.

ADVICE OF EMPLOYEE'S SHIFT/WORK SCHEDULE ALTERATION

To: Mr. / Mrs. / Miss _____ at _____
(Location / Base)

Pursuant to Article 6.06 of the Air Canada/CALEA collective agreement, this is to advise you of the following alteration to your shift/work schedule (Strike out inapplicable references).

1- Shift change from afternoons, present schedule hours days / nights

_____ to _____, to afternoons, now scheduled days / nights

hours are _____ to _____

2- Your work schedule will be changed commencing _____
(date)

to the following _____
(describe)

This work schedule change is for a duration of:

(STATE HOW LONG THE CHANGE IS TO BE EFFECTIVE).

_____

3- Reason for change _____

_____

_____ _____ _____

(Supervisor's Signature) (Location) (Date)

Copy: _____ , Union Chairman.

6.12 Shift trades – Employees shall be granted personally requested shift trades subject to the supervisor's approval, consistent with the following:

(a) Shift trades may be arranged where one employee pays another to work for him, at rates mutually agreeable between the two employees;
(b) When two employees have traded shifts, all applicable time credits and premiums shall be payable to the employee whose regular shift is scheduled;
(c) When two employees have traded shifts, responsibility for shift coverage is that of the employee whose regular shift is scheduled, and any time debits shall be deducted from the latter;
(d) Shift trades may only be allowed between employees working in the same location.

ARTICLE 7 – OVERTIME AND RECALL

7.03 Time worked in excess of the scheduled hours shall be considered as overtime and shall be recorded to the nearest one tenth(1/10th) of an hour in accordance with the following:

OVERTIME PAY AND RECALL ON SCHEDULED DAYS

X – Scheduled Hours

HOURS WORKED	REGULAR WORK DAY
X	1
X - 12	1-1/2
Over 12	2

RECALL ON DAY NOT SCHEDULED TO WORK

HOURS WORKED	1st DAY OFF WORKED	2nd and SUBSEQUENT DAYS OFF WORKED
0 – 8	1-1/2	2
8 – 12	2	Prohibited
Over 12	Prohibited	Prohibited

8.03 An employee covered by this Agreement who accepts a temporary management assignment shall be paid an increase of ten (10) per cent above his current salary for each day of the assignment, which exceeds five (5) hours.

8.04 At locations where there are two (2) or less employees, any Customer Service Branch employee not covered by this Agreement may be required to perform any of the duties covered by this Agreement for a period of not more than 15% of his work day.

8.05 An employee covered by this Agreement who accepts a temporary management assignment shall be limited to a total of one hundred and twenty (120) calendar days or portions thereof within any calendar year.

NOTE: The Number of calendar days assigned in any management position shall be recorded and published in the overtime/undertime form as provided for by Article 7.08.

10.01 (c) This article is deleted.

10.07 An employee permanently reclassified to a position not covered by the Agreement shall retain his seniority for a period of two (2) years.

NOTE: Any employee reclassified to a position outside the scope of the Agreement prior to October 1, 1971, who has retained seniority shall remain on the seniority list for a period of two (2) years from October 1, 1971.

10.08 (e) When transferred to another position outside the Agreement for a period of more than twenty-four (24) consecutive months.

11.01 Voluntary – When the requirements of the Company permit, an employee, upon written request through his immediate supervisor may be granted a voluntary leave of absence without pay for a period not to exceed ninety (90) days. Approval for the leave shall be in writing stating the date the leave is to commence and terminate. Advice of such leave will be provided to the Union in writing. The leave of absence may be extended upon written request to the Company with a copy to the Union; however, an extended leave must be agreeable to the Company and the Union.

11.02 When such leave is granted the employee shall continue to accrue seniority and retain seniority rights but he shall not continue to accrue Company service during the leave of absence. Should the employee engage in other employment while on his leave of absence, his name shall be removed from the seniority list and his services with the Company shall be terminated unless special permission has first been obtained from proper officials of the Company and the Union. The terms of the permission must be in writing, a copy of which will be given to the Union.

11.04 Sick leave benefits presently enjoyed by covered employees will not be reduced during the term of this Agreement. Employees who misuse sick leave shall be subject to disciplinary action.

11.06 **Leave of Absence – Union Business**

An employee who has been elected or appointed by the Union to carry out authorized business of the Union on a full time basis, principally on behalf of Air Canada employees, shall be granted a leave of absence for this purpose, provided that not more than five (5) covered employees shall be on such leave at any time. The Union will advise the Company of the name(s) of such

employee(s), the term of such leave, and the specific purpose. The Union shall repay the Company for the Company's costs incurred in Employee Benefit Plans and the employee shall continue to pay his contributions directly to the Company.
The Company shall provide such employees with free and reduced transportation including annual business pass in accordance with company regulations. Such employees shall continue to accrue seniority and service while on leave of absence for such Union business.

12.05 If at any time the employee desires to withdraw his request he may do so; however, should the employee decline to accept the change when it is made available to him, such action shall constitute a withdrawal of request and he shall be restricted from submitting a new request under this section for a period of three (3) months.

12.09 If at any time the employee desires to withdraw his request he may do so. Should the employee decline to accept the change when it is made available to him, such action shall constitute a withdrawal of request.

12.14 If at any time the employee desires to withdraw his request he may do so; however, should the employee decline to accept the change when it is made available to him, such action shall constitute a withdrawal of request and he shall be restricted from submitting a new request under this section for a period of three (3) months.

12.16 All requests including renewal requests described in Articles 12.01, 12.06 and 12.10 shall be considered active for one year from the date on the original application. An employee who still desires to change his location, base, or classification, at the end of the year for which his application was active, will have to submit a renewal request in writing and if the renewal request is received within ninety (90) days prior to the expiry date of the original application the employee shall retain his original application date. Renewal requests that are received beyond these time limits shall be considered as a new request.

13.02 The Company will advise employees covered by this Agreement in writing, at least one month in advance, if the employee is not required to work on any Statutory Holiday. Should an employee's day off fall on a Statutory Holiday the employee is to receive a straight time credit.

(To be inserted under Article 14, before 14.01)

NOTE: Notwithstanding the provisions of this Article it is understood and agreed that the employees covered by this Agreement will be subject to the provisions and regulations of the Company's policy on past service recognition.

14.06 (a) Within locations, employees possessing the greatest seniority will have preference as to the selection of vacation quarters and dates, except that employees transferring, relocating, or exercising bumping privileges after September 30 of each year, shall not affect the vacation quarters selected by less senior employees. However, the transferee will have the right to exercise his seniority in the selection of vacation dates in the assigned available quarter provided that the deadline for the selection of dates has not expired.

14.07 It is recognized by the parties to this Agreement that restrictions on the selection of vacation times may be necessary. It is agreed, however, that such restrictions are undesirable and should be avoided where possible.
Any restrictions on vacation dates must be declared by the Company prior to the employees selecting their vacation quarters.

14.08 Vacation dates or quarters shall not be exchanged between employees covered by this Agreement without prior approval of the local Manager and the local Union Chairman.

18.03 (d) At the Corporate Management Committee level, meetings will be held each quarter between the Executive of the Union and representatives of the Personnel and Customer Service Branches.

18.04 **Time off for Union Business**

The Company recognizes the importance of prompt handling of Union business, such as the handling of grievance throughout the process, negotiating of amendments to agreements, and the attendance of union meetings at various levels; and the Company further recognizes the importance of the role of Union Officers in carrying out the functions of Union business. It is therefore agreed that Union representatives be granted reasonable time off and space available transportation to carry out such functions. This time will be allowed as promptly as possible consistent with service pressures. In order to facilitate this process it will be the obligation of the Union representatives to afford as much notice as possible of such needs and to clear their activities both with their own Supervisors and with the Supervisors of the employees involved in any problem situation.
The Union shall be billed for the time off except in those cases where the Company has agreed to absorb certain costs. In either case, the employees involved in this activity are not debited or removed from the payroll. The time billed will be the actual scheduled time lost, and no account will be taken of the fact that in some cases the absent employee may not be replaced, or that he may be replaced at overtime rates. Lost time chargeable shall be on the basis set forth in letter of understanding number 8.

Lost Time Chargeable

L .01 Lost time shall be charged to either the Union or the Company, depending on the activity, on the following basis:

Activity	Charge to Code number
L .02 Grievance Procedure General, Discipline & Discharge.	
Step 1: —Aggrieved Employee(s)	1
District Union Representative, One only	1
Step 2: —Aggrieved Employee(s)	1
District Union Representative, One only	1
Regional Director, One only	2
Step 3: —District Union Representative(s) and/or	1
Regional Director(s) (2 only)	2
L .03 Union-Management Committee Meetings.	
18.03 **District Level:**	
District Chairman	1
District Vice Chairman	1
Union Representatives when authorized by Management	1
18.03 **Headquarters Level:**	
Executive Vice Presidents	2
Regional Directors where involved	2
District Representatives when authorized by Management	1
L .04 Time Off Union Representatives	
18.04 **District Situations:** (This includes addressing new employees at basic or localized training sessions in order to cover the following: Introduction of Union Officers with whom they will be coming in contact; Objectives of CALEA constitution; Outline of CALEA's structure and history; Rand Formula and Dues check-off; Application of Collective Agreement; Government legislation applicable to Union Operation; Question and answer period. The presentation to be scheduled during the last 30 minutes of any day within the training period with a 45-minute limitation).	
District Chairman	1
Vice Chairman	1
District Union Representatives	1
Regional Situations:	
District Chairmen	1
Vice Chairmen	1
District Union Representative when authorized by Management	1
Regional Directors	2
Headquarters Situations:	
Executive Vice Presidents	2
Regional Directors where involved	2
District Union Representatives when authorized by Management	1

L .05 **Negotiations:**

Three Union designated members of CALEA's Negotiation Committee for time spent in direct negotiations with the Company. 2

Except as provided for above, the Association will bear the cost of all "productive time" lost by CALEA members and officers while participating in recognized Union activities.

These will include, but not limited to: Union Conventions, Executive Meetings, Meetings to discuss internal Union business, Arbitration and Conciliation. The Union will bear the cost of "productive time" lost by other than the three designated members of the Union Negotiation Committee whom the Company accepts responsibility salary-wise for the time spent in negotiations.

District Chairmen	3
Vice Chairmen	3
District Union Representatives	3
Vice Presidents	4
Directors	4

L .06 **Explanation of Code:**

CODE 1. Time losses of CALEA District Chairmen, Vice-Chairmen, Union Representatives, and members to be absorbed by the Company.

CODE 2. Time losses of CALEA Executive Vice-Presidents and Regional Directors to be absorbed by the Company.

CODE 3. Time losses of CALEA District Chairmen, Vice-Chairmen, Union Representatives, and members to be charged to CALEA.

CODE 4. Time losses of CALEA Executive Vice-Presidents and Regional Directors to be charged to CALEA.

CANADA LABOUR RELATIONS BOARD

Application for review of a previous order affecting Transport Drivers, Warehousemen and Helpers Union Local 105 of the International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers of America **(Applicant)**

and

Voyageur (1969) Inc. **(Respondent)**

and

Canadian Brotherhood of Railway, Transport and General Workers **(Intervener)**

The Board consisted of A. H. Brown, Chairman, and E. R. Complin, J. A. D'Aoust, Jacques Guilbault, Kenneth Hallsworth, Gérard Picard, R.C. Smith and W. T. Wilson, Members. The Judgment of the Board was delivered by the Chairman.

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1. The Applicant has requested the Board to reconsider the order and decision made by the Board dated June 4, 1971, by which the Applicant was certified as bargaining agent for a unit of employees of the Respondent consisting of all drivers employed by the Respondent excluding drivers shown on the payroll list of the Respondent's recall drivers and drivers shown on the Respondent's Abitibi Region payroll, and to vary this order and decision by redefining the bargaining unit as so described by eliminating therefrom the exclusion from the bargaining unit of drivers subject to recall and the exclusion of drivers shown on the Respondent's Abitibi Region payroll.

2. The matter of the exclusion of drivers shown on the Respondent's Abitibi Region payroll from the proposed bargaining unit was the principal issue raised by the Intervener in its intervention in opposition to the application of the Applicant for certification as bargaining agent for a bargaining unit consisting of drivers employed by the Respondent. At the hearing held by the Board on the said application on the 1st day of March, 1971, all the parties to the application were afforded the full opportunity to lead evidence on this issue and to cross examine on evidence given on behalf of the other parties to the application and to direct argument to the issue so raised and did so. At no time did the

Applicant claim that any of the drivers of the Respondent on its Abitibi Region payroll were members in good standing of the Applicant at date of the application.

The Board is of opinion that the Applicant was afforded ample opportunity to prepare and present its case on this issue to the Board at the aforesaid hearing. In the circumstances the Board is of opinion that the Applicant has not put forward reasonable grounds for a rehearing on this same issue at this time and rejects the application to vary the order on this issue.

The Board observes that if, as the Applicant alleges, it now represents the majority of drivers on the Abitibi Region payroll the rejection of this request of the Applicant does not preclude the Applicant from making application to the Board to be accorded recognition as bargaining agent for the drivers of the Respondent on its Abitibi Region payroll under and in accordance with and subject to the relevant provisions of Part V of the Canada Labour Code (Industrial Relations) and the Rules of the Board made thereunder.

3. The Board grants the request of the Applicant to vary the order and decision made by the Board dated June 4, 1971 in so far as it provides for the exclusion from the bargaining unit therein set forth of drivers subject to recall, by providing that drivers subject to recall are not excluded from the said bargaining unit. The order will be amended accordingly.

(Sgd.) A.H. Brown,
Chairman
for the Board.

Ottawa, December 7, 1971.

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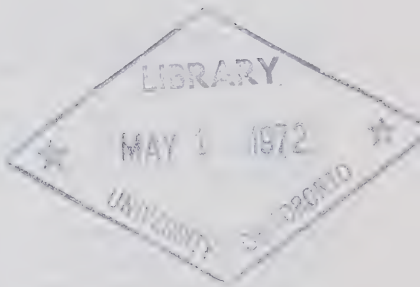
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Reasons for Judgment in Applications affecting:

Seafarers' International Union of Canada and Kent Line Limited

General Truck Drivers and Helpers Local Union No. 31, General Teamsters Union Local 181, General Teamsters Local Union No. 362, Chauffeurs, Teamsters and Helpers Local Union No. 395, and General Drivers, Warehousemen and Helpers Local Union No. 979, of the International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers of America, and Millar & Brown Ltd., and T. M. Dawson, et al

General Truck Drivers and Helpers Local Union No. 31, and General Teamsters Local Union No. 362 of the International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers of America and Canadian Freightways Limited and G.W. Franklin, et al

Association des Employés de CJTR Radio Trois-Rivières Limitée and Le Syndicat des Journalistes de Montreal and CJTR Radio Trois-Rivières Limitée

CANADA DEPARTMENT OF LABOUR

Hon. Martin O'Connell, Minister

Bernard Wilson, Deputy Minister

Report of Board of Conciliation and Investigation established to deal with dispute between:

Canadian Broadcasting Corporation **(Employer)**

and

National Association of Broadcast Employees and Technicians **(Bargaining Agent)**

The Board was under the Chairmanship of Roland Tremblay of St-Jean, Québec, appointed by the Minister of Labour in the absence of a joint recommendation from the other members of the Board, Raymond Caron, Q. C., of Montreal and Frank Chafe of Ottawa, who were previously appointed on the nomination of the corporation and union, respectively. The report was received by the Minister in January.

On October 18, 1971, the members of the Board met and were duly sworn to perform their duties according to law. . . .

The work of the Board proceeded in two stages.

In the first stage, the parties were heard upon the more contested matters, that is those in which the parties had no intention of yielding and upon which the parties required settlement before dealing with any other matters.

The members of the Board made a report to the Minister in this respect and the Minister returned the report to the members of the Board requesting the Board to clarify and amplify it, and to reconvene the parties before the Board if necessary, in order to make recommendations on matters of a monetary nature (Article 137, Labour Code).

In the second stage the Board heard the parties on the matter of salaries and fringe benefits. The present report is a consolidation of the facts, findings and recommendations at both stages.

The Board held six days of hearings, October 18, 20, 21 and 22 and December 8 and 9, 1971, and held numerous deliberation meetings, including a meeting with the Honourable Minister, in Ottawa on December 1.

Mr. Robert Bouchard acted as spokeman for the Union before the Board and several other Union representatives addressed the Board.

At the first stage Mr. Pierre Racicot, and at the second stage Mr. Derek Nelson, acted as spokesman for the Corporation and several other persons also addressed the Board on behalf of the Corporation.

The facts as established by the exhibits and representations:

The Union filed a brief entitled "Union Memorandum" dealing with the history of the bargaining and the principal Union demands, together with numerous documents produced as Exhibits S-1 to S-60. The Corporation presented two submissions to the Board in which it also outlined the history of the negotiation and set forth the position of the Corporation in these negotiations.

The Corporation also produced exhibits which were numbered C-1 to C-5.

At the first stage the Corporation made it clear to the members of the Board that they did not wish to speak in the presence of the other and suggested that it be heard alone. The Corporation gave explanation on three subjects:

1. Technological progress: certain equipment is now simpler than it used to be and may be easily used on outside assignments and the Corporation desires that the new agreement take into account this technological progress.
2. The second subject deals with the jurisdiction of the Union and also is related to technological progress; the facts advanced by the Corporation are that technology has progressed rapidly, certain equipment is smaller and more reliable. It is now possible to operate equipment with other than technicians with the result that a technician for a simple machine is no longer necessary; the Corporation states that in such cases the technician need not tend simplified equipment but that this will in no way diminish the work of the technicians as there is always work for them at the studio for sound and video recording.
3. The Corporation states that it favours the principle of bilingualism but it is not in favour of bilingualism by means of premiums and it desires simply to delete the premium provided for in the collective agreement.

At this first stage the Union also stated facts concerning the 4-day work week, the needs of announcer-operators, building maintenance employees, welfare plans, vacations, including a sabbatical leave, salaries, broadcasting and maintenance technicians, scheduling of work, status files and, respecting all those matters, the Union produced various documents and related various facts to justify its demands. At the second stage the Corporation dealt particularly with the matter of salaries and fringe benefits; it produced, among others, a document filed as Exhibit C-5 comprising eleven pages; this document contains comparisons of salaries paid to employees in various fields in Canada and by various employers.

Thus there were comparisons of salaries paid to employees in the NABET bargaining unit with:

1) Salaries paid to employees in other bargaining units of the Corporation;

2) Salaries paid to employees of other radio and television stations;

3) Salaries paid to Federal Government employees;

4) Salaries paid to employees in private industry across Canada.

The Corporation stated that employees in the NABET bargaining unit were as well treated as employees in all the other bargaining units, whatever their field, and in some cases were even better paid.

In these circumstances the Corporation indicated a willingness to accept a settlement for the NABET bargaining unit employees in the general area which would result in substantially the same increases which it had negotiated with the other major bargaining units, ARTEC and CUPE, that is an increase of 6% for the first year and an increase of 5½% for the second year. The Corporation cannot see why one group should be better treated than another and if one group is less well treated than another it should prove it.

Insofar as fringe benefits are concerned, the Corporation repeated that it takes the same position as that taken respecting salaries. It indicated that the employees of the NABET bargaining unit should receive the same fringe benefits as it gave to the employees in the ARTEC and CUPE bargaining units and it would find it unjust to give more to one group than to the others just as it would find it unjust to give less to one group than to the others.

Excepting the question of the pension plan, which the Corporation does not want to touch nor in any way to yield inasmuch as the pension plan is administered by a special committee

and governs all employees whatever may be their bargaining unit, the Corporation indicated that it is willing to offer that which it has already granted to ARTEC and CUPE in the matters of:

1. Medicare;
2. Maintaining the group insurance ratio;
3. Annual leave which is four (4) weeks after eighteen (18) years;
4. Severance pay;
5. Job security, respecting which the Corporation contends that it meets virtually all the demands of the Union;
6. Inspection of the employee's status files;
7. Second meal allowance.

The Union, for its part, analysed the salary position of the Corporation and contended that for the first year, in addition to the 6% mentioned, it was entitled to an additional 1.7% representing retroactivity for 1970 and also a further 1.6% representing a round figure of approximately $300,000 which had been set aside by the Corporation for re-evaluation of the jobs of the NABET bargaining unit employees. It points out, however, that the employees of the NABET bargaining unit rejected the plan proposed by the joint reclassification committee. The Union thus arrives at an increase of 9.3% for the first year and 5.5% for the second year to make a total of 14.8% and it points out that the employees in the CUPE unit obtained an increase of 7.7% for a period of 15 months, from January 1970 to March 31, 1971, which could have constituted a period of retroactivity as well as "catch-up" and NABET wants the equivalent of this percentage.

Insofar as fringe benefits are concerned, the dispute seems to be only regarding the pension plan which the Union wishes to see incorporated into its own collective agreement in order that it may be negotiated and in order that the Union may take part in its preparation and any amendments to the regulations governing this pension plan.

Analysis of the facts and findings

From the first day, the Board noted a strained atmosphere between the parties and that their positions were rigid particularly on the part of the Corporation who clearly stated at the hearing that it did not consider that the Conciliation Board procedure would be fruitful. The Corporation took the attitude that it wished to obtain its proposed changes, that it did not wish to discuss the Syndicate demands but that if its proposals were accepted, it was willing to improve the lot of its employees in certain, admittedly very important, areas which it specified, namely, salaries, job security welfare plans, leave, etc.

The Union, at this first stage, appeared more co-operative and agreed to submit its demands under different headings, in such a way as to group them by major items, and in fact it submitted to the Board a document in which it grouped in nine chapters its nine major demands. They are as follows:

a) The 4-day week;
b) Job security;
c) Welfare plans;
d) Salaries;
e) Announcer-Operators;
f) Building maintenance trades;
g) Schedule of work;
h) Grievance procedure;
i) Disciplinary measures.

The Corporation did not wish to discuss these itemized points but nevertheless it listened to the representations which the Union made concerning the 4-day week, announcer-operators, building maintenance tradesmen and part of the demands respecting the schedule of work.

To all these major items the Corporation made a categorical refusal, not only respecting the matters demanded but even to engage in discussions on these subjects.

At a given moment, the Union did reduce some demands, withdrew some others and declared that it would accept the status quo in certain areas and for this purpose it filed, as Exhibit S-51, the following document:

"Proposals submitted by NABET to the Board of Conciliation

The Four-Day Work Week (5.1)

The Union is prepared to modify its proposal as follows:

4 days of 9½ hours each inclusive of meal periods, relief periods and break periods; — tours commencing after 17:00 hours shall be 9 hours inclusive of the 30-minute relief period.

If the Corporation accepts this new formula, the Union would:

1. 48.1 — Reduce its proposal regarding annual leave to 3 weeks after 1 year; 4 weeks after 12 years; and 5 weeks after 20 years.

   48.2 — Delete this request.

2. 55.1, 55.2 — These new articles would be replaced by a paragraph inserted into the Agreement by virtue of which the Corporation will grant special leave in the circumstances described in the Appendix — but management will not refuse special leave without reasonable cause.

3. 5.2.1 — Same as in the present Agreement.
   7.1.1 — Delete the proposal.
   9.1 — Same as the Agreement.
   12.3 — Same as the Agreement.
   16.3 — Same as the Agreement."

The Corporation rejected outright this proposal S-15 stating that it found it still unacceptable.

Faced with such an attitude but still in the belief that the parties could perhaps come to a willingness to meet, the Board suggested to the parties that they continue to negotiate during the following week, without the Board, certain clearly defined subjects which the Board outlined to them. It was suggested that they discuss the following subjects:

1) The 4-day week (Union demand);
2) Announcer-operator (Union demand);
3) Article 21 — Schedule of Work (Corporation demand);
4) Article 25 — Technical Unit, Union jurisdiction (Corporation and Union demands);
5) Building employees (Union demand).

The parties refused to meet regarding these matters and the members of the Conciliation Board then realized that the parties did not wish to meet together, did not wish to discuss their common problems before the Conciliation Board and that both parties believed the other to be in bad faith and did not lose any opportunity to say so in sarcastic terms.

The members of the Board find that the Union demands are very numerous, but they cannot criticize the Union for exercising its right to make demands which only may be made at negotiation

time. The Board can only make the observation that common sense is not always to be found in each of these demands, and that a number of them could advantageously simply have been withdrawn in order to facilitate the opening of discussion; on the other hand at this first stage, the position of the Corporation was no better, it was rigid, inflexible and deliberately negative. The Corporation, faced with a mass of Union demands, decided to accept none and gave the impression that it had said to itself:

> "There are so many demands, it is so irresponsible that it is not worth considering."

At the second stage of the Conciliation Board hearings, it was evident that the attitude of both parties had changed greatly and it was felt that both parties had a real desire to co-operate with the Board and desired, if possible, to arrive at some arrangement, and they willingly accepted to discuss subjects which they had not wished to talk about at the first stage without first having settled the contested major issues. Thus it was without difficulty that the Board obtained all the details which it desired respecting the salary demands, and the position of the Corporation respecting salary increases and all details respecting fringe benefits.

Before analysing the facts submitted and stating its findings on these facts, the Board wishes to point out that the collective agreement between the Corporation and its employees represented by the NABET Union expired the 30th of June whereas the collective agreements which the Corporation has entered into with ARTEC and CUPE expire on March 31. It seems desirable that all these collective agreements should expire on the same date in order that the negotiators all be in the same position and not be one ahead of the other with the result that those who negotiate first open the way, struggle and perhaps do certain work for the benefit of the others without these others necessarily being in accord and with the result, also, that the others, coming later, do not have the opportunity to discuss in depth with the Corporation some matters which, rightly or wrongly, the Corporation will contend have already been settled. It would be much more equitable and more normal that the three collective agreements with NABET, ARTEC and CUPE all expire at the end of March in the same year and a recommendation to this effect will be made later in this report.

Concerning salaries, the Board, after having analysed the documents submitted by both parties, and after having heard the parties, finds that the employees in the NABET bargaining unit are generally as well paid as the employees in the other bargaining units of the Corporation and, with certain exceptions, their salaries compare favourably with those of the employees of other radio and television stations, and employees in the Federal Government and employees in private industry.

Having made this finding, the Board thus finds that the Corporation's position of a salary increase of 6% for one year and of 5.5% for a second year, is reasonable, however, as the Board will recommend that the new agreement should expire on March 31, 1973, the said 5.5% should be adjusted to 4.25% for the final nine (9) months of the agreement.

The retroactive increase of 6% should be paid to those employees who are still in the employ of the Corporation on the date of signing of the agreement.

Insofar as fringe benefits are concerned the Board can only find that the Corporation desires to treat its employees in the NABET unit as equitably and as well as its employees in the ARTEC and CUPE units and the Board does not believe that the Corporation should treat some of its employees differently than some others. Certain injustice could result if the Corporation granted privileges to employees of one unionized group which it did not grant to employees in another unionized group. The Board also finds that the NABET unit is well aware of that which has been granted to the employees in the ARTEC and CUPE groups and, in fact, the collective agreements with these two groups were filed by the Union as exhibits with the Board.

Thus the two parties know exactly what they are talking about; the Corporation knows its position and the Union knows exactly what is being suggested. The Board finds that the Corporation proposals in the following areas are most reasonable:

1. Medicare:
2. The guarantee of maintaining the group insurance ratio;
3. Annual leave of four weeks after eighteen years;
4. Severance pay;
5. Job security, upon which point the Corporation contends that it meets virtually all the demands of the Union;
6. The employee's status file which he may examine, in the presence of his supervisor, once per year and in the event of a grievance;
7. A second meal allowance.

However the parties do not agree with regard to one of the fringe benefits, that is, the matter of the pension plan. The Corporation contends that the pension plan is administered by a joint committee which deals with a pension for all the employees regardless of the Union group to which they may belong and the Corporation contends that it is not appropriate nor practical to incorporate matters concerning the pension plan in the collective agreement of any particular Union.

The Union does not see the matter in the same light and insists upon having a say in the administration of the pension plan as well as in the preparation of the regulations. The question was not discussed at length before the Board, the parties having touched thereon without discussing it in depth. A recommendation will be made below bearing in mind the lack of information and the complexity of this matter.

Apart from these definite points upon which the Board believes it is in a position to make certain recommendations, there remain the major issues in dispute respecting which the discussions of the parties, before the Board, were entirely fruitless. These major issues involve particularly:

1. Technological progress: respecting particularly job security and Union jurisdiction;
2. Hours and days of work;
3. Salary adjustments for:
   a) Announcer-operators
   b) Maintenance and broadcasting technicians
   c) Building maintenance employees (tradesmen).

During the course of the hearings, the Board learned that in past years a joint committee existed to study the reclassification and the evaluation of certain jobs.

This committee apparently just made recommendations but it seems that these recommendations were rejected by the Union membership for reasons which are unknown to the Board.

However this committee did exist, it has laboured, and there is certainly in its files a good commencement in the study of the jobs and their evaluation. This committee or another committee could be reactivated. The Board will make a recommendation in this regard later in this report.

Recommendations

1. *Duration of the Agreement* — The agreement should be effective on the date of its signature and should expire on March 31, 1973, with retroactivity for salaries and monetary items to July 1, 1971, such retroactivity to apply only to those in the employ of the Corporation at the date of signature.

2. *Salaries:* That an increase of 6% be paid to all employees at the time of the signing of the agreement retroactive to July 1, 1971, or from the date of their subsequent hiring, and until June 30, 1972.

That an increase of 4.25% be paid to all employees from July 1, 1972, to March 31, 1973.

3. *Fringe Benefits:* That the fringe benefits granted to the employees in the ARTEC group and the CUPE group also be included in the collective agreement of the NABET group in the following matters:

a) Medicare;

b) Maintenance of group insurance ratio,

c) Annual leave;

d) Severance pay;

e) Job security,

f) Status file;

g) Second meal allowance.

4. Considering that in respect of the items mentioned below the Board has not received sufficient information from one or other or in some cases from either of the parties, to make specific recommendations, the Board recommends that a joint committee comprising three persons or such other number as the parties may agree upon, representing the Union and the same number representing the Corporation, be created in order to study the following matters:

a) Technological progress: particularly with respect to job security and Union jurisdiction;

b) Adjustment of the salaries of announcer-operators, maintenance and broadcasting technicians and building maintenance employees (tradesmen);

c) The possibility of incorporating in the collective agreement a section giving the Union a voice in the administration and preparation of regulations governing the pension plan;

d) Bilingual and shift premiums,

e) The number of hours of work per day and the number of days of work per week.

That this joint committee have until March 31, 1973, to study its various problems and to bring appropriate solutions.

5. That from now until March 31, 1973, the existing collective agreement remain in status quo on all matters not covered by the foregoing recommendations 1, 2 and 3 above.

(Sgd) Roland Tremblay

Frank Chafe

Raymond Caron

CANADA LABOUR RELATIONS BOARD

Reasons for Judgment in Application for Certification Affecting

Seafarers' International Union of Canada **(Applicant)**

and

Kent Line Limited **(Respondent)**

The Board consisted of J. J. Quinlan, Q. C., Vice-Chairman and Acting Chairman, and E. R. Complin, J. A. D'Aoust, Jacques Guilbault, Gérard Picard, and R. C. Smith, Members. The Judgment of the Board was delivered by the Vice-Chairman and Acting Chairman.

The Applicant, a trade union, under date of August 4, 1971, applies to be certified as bargaining agent for a unit of employees of the Respondent, Kent Line Limited, described as "All unlicensed employees employed aboard the vessels: 'Irvingstream,' 'Irving Ours Polaire,' 'Irvingwood,' 'Aimé Gaudreau,' 'H-1060,' 'H-1070,' excluding Captains, Mates, Engineers."

In its reply to the application, the Respondent stated that it is the employer only of the personnel of the crew of the vessel Irvingwood and does not employ any personnel of the crew of the remaining five vessels. Its solicitor advised the Investigating Officer that it owns the vessel Irvingwood which operates only interprovincially and that the Respondent acts as ship's agent of each of the other five vessels.

Hearings were accordingly held in Ottawa on October 18 and 19, 1971, at which extensive oral and documentary evidence was tendered and argument was presented by Counsel for both parties on November 8, 1971.

According to the certified copy of Letters Patent. . .the Respondent was incorporated under The New Brunswick Companies Act on May 21, 1946, with, inter alia, the following purposes:

"To construct, purchase, lease or otherwise acquire, charter, own, maintain, operate and manage —

(a) Steamships, vessels, tugs, car ferries, dredges, lighters, barges, boats and water craft of every description,"

Documentary and oral evidence as to the status of each of the five vessels which the Respondent claimed it did not own was as follows:

Irvingstream — is a foreign-going vessel owned by Irving Oil Company Limited (hereinafter referred to as "Irving Oil").

Irving Ours Polaire — is a coastal vessel owned by the following companies, the extent of the share interest of each being shown opposite the names:

Kent Line Limited	—	16 shares
Universal Sales, Limited	—	12 shares
J. D. Irving Limited	—	36 shares
Total		64 shares

Prior to January 28, 1971, Engineering Consultants Limited had owned 32 shares, on which date they were transferred to J. D. Irving Limited by Bill of Sale registered January 29, 1971. The vessel has been under a bareboat charter to Irving Oil since December 14, 1962, for a twenty-year period and under which the charterer, or its operating agents, is to engage and employ the Master, Officers and Crew who are to remain its servants.

Aimé Gaudreau — is a coastal vessel and is owned by the following companies, the extent of the share interest of each being shown opposite the names:

Kent Line Limited	— 16 shares
Engineering Consultants Limited	— 32 shares
Universal Sales, Limited	— 4 shares
J. D. Irving Limited	— 12 shares
Total	— 64 shares

The vessel has been under a bareboat charter to Irving Oil for a period of twenty years from the date of delivery according to an agreement dated February 15, 1965. Engagement and employment of Master, Officers and Crew is on the same basis as for the Irving Ours Polaire.

H-1060 — is a foreign-going vessel owned by Engineering Consultants Limited.

H-1070 — is a foreign-going vessel owned by Engineering Consultants Limited.

Both of the latter vessels are stated to be engaged normally in trip charters to Irving Oil but on occasion are chartered by that company to other companies including non-Irving companies. For the period July 17 to September 5, 1971, the H-1070 was laid up because of lack of employment for it.

With respect to the Irvingwood which is owned by the Respondent, it was stated to be on a time or voyage charter from time to time to Irving Oil.

In the course of oral evidence, questioning by Counsel for the Applicant was directed to the relationship and control of the various companies referred to above. Some of the evidence disclosed a close relationship among some of the companies and subsequently Counsel for the Respondent stated that he was prepared to admit that the companies involved in the ownership and chartering of the six vessels are all associated companies.

According to the evidence, the Respondent, while owning the vessel Irvingwood, acts as ship's agent in respect of the other five vessels although its functions and responsibilities in the case of the H-1060 and H-1070 are somewhat different from those for the remaining three. The evidence also was to the effect, however, that the Respondent's main function is that of ship's agent and in this respect acts as ship's agent for vessels owned by companies other than the various companies which have been referred to as well as in respect of other Irving vessels. It was stated that approximately two-thirds of the work it performs as ship's agent is for companies other than those in the Irving group. The functions which it performs for such companies relate basically to bulk tankers, although in the past it has acted for various small cargo vessels. As such, it represents owners of those tankers calling at Saint John and other (presumably eastern) ports and carries out any activities that the owner or Master of the vessel may require while the vessel is in port in order that it may be desptached as quickly as possible. This involves such matters as arranging for tugboats, pilots, linesmen, payment of harbour dues or other disbursements that may be required and arranging for repairs or supplies that may be necessary. For these expenditures it is reimbursed by the owner. In pursuance of its function as ship's agent, it will advance money to the Master for advances to the crew or for other things he may require and a receipt is obtained from him but it has no responsibility to obtain an accounting as to how the money is spent, this being the responsibility of the owner. So far as the manner of reimbursement is concerned, if the owner is regularly represented, he will simply be billed after the disbursements are made, while on other occasions a cash advance might be requested before the disbursements are made. For these various services the Respondent charges an agency fee, which is a variable fee, based on tonnage of the vessel, tonnage carried, length of stay in port, services performed, whether there are crew replacements and the extent of its attendance on the vessel. It was estimated in respect of non-Irving vessels that the Respondent would handle fifty to sixty port calls of vessels in a year, some of which would involve more than one call by the same vessel. The financial statement of the Respondent for the year 1970 showed approximately $50,000 in agency fees for the year which included fees for independent vessels and five of the vessels involved in this application, no agency charge being made in respect of the Irvingwood owned by the Respondent. On the basis of charges made per call for independent vessels, it can be calculated that such charges accounted for approximately 60%-75% of the above amount. On the basis of the uncontradicted evidence, there can be no question that the Respondent was also carrying out a bona fide ship's agency business and the above financial statement shows that it was also carrying out such a business in 1969 when the agency fees shown were slightly higher. By far the largest part of its income comes from charter hire and freight, agency fees accounting for less than 10% of its income.

With respect to the vessels Irvingstream, Irving Ours Polaire and Aimé Gaudreau, which are owned by or on bareboat charter to Irving Oil, it was stated the agency functions performed by the Respondent were substantially the same as those for independent vessels. In other words, it makes arrangements for supply of provisions, pays the supplier and is in turn reimbursed by Irving Oil. With respect to repairs, these are arranged for by Irving Oil itself but the bills are sent to the Respondent who pays them and is in turn reimbursed. So far as advances for salaries or wages are concerned, the money is advanced by the Respondent which is in turn reimbursed by Irving Oil. It has no responsibility for the Master's accounting for these funds. Payroll records, including overtime statements, are simply passed through the Respondent, and processing and accuracy of the accounting is a matter entirely for Irving Oil. In other words, for its part the Respondent submits only a disbursement account of money paid out. Similarly, it was stated the Respondent has nothing to do with handling deductions and payment for income tax and unemployment insurance for the crews of the vessels, these being handled entirely by Irving Oil. The evidence also was that no official or employee of the Respondent exercises any control over licensed or unlicensed personnel of the three vessels. As has been noted, the Respondent has a one-quarter interest in the Irving Ours Polaire and Aimé Gaudreau which are under bareboat charters to Irving Oil and therefore receives its share of the operating profits resulting from the charters and these are stated to be included in its financial statement.

With respect to the Irvingwood, the Respondent, which is the owner of the vessel, analyses all expenditures and prepares operating statements and pays all bills except fuel and port charges which are expenses usually paid by the charterer of the vessel, normally Irving Oil. As owner, it is of course responsible for salaries and wages of officers and crew and for deductions concerning unemployment insurance and income tax and remission to proper authorities. Any profits arising out of the operation of the vessel are stated to be included in the Respondent's financial statement. Apart from this vessel and the Irving Ours Polaire and Aimé Gaudreau, there are no other vessels on which the Respondent participates in operating profits.

For the vessels H-1060 and H-1070, as previously indicated, the Respondent performs more detailed functions in regard to their operation. In addition to advancing funds for payment of crew for regular and overtime work, for repairs and supplies, it processes all these accounts. In other words, unlike vessels owned by or under bareboat charter to Irving Oil, it is concerned with the disposition of any such advances or payments for these services and receives an agency fee from the owners, Engineering Consultants Limited. It was stated that apart from the Irvingwood, the Respondent does not perform as detailed a function for any other vessels as it does for the H-1060 and H-1070. In regard to deduction and remittance of income taxes, the evidence was that this is handled by the Respondent but that at its request separate accounts had been established in the name of Engineering Consultants Limited with the relevant Government Department. In regard to unemployment insurance deductions and remittances, this is handled somewhat differently. It was stated that at the request of the relevant Government Department this was handled under the Respondent's account and number but a division was made in the Respondent's office. A cancelled cheque issued to the Receiver General of Canada under date of July 13, 1971. . .shows a breakdown of the payment for each of the three vessels, Irvingwood, H-1060 and H-1070. Notwithstanding that the Respondent acts as ship's agent for the vessels H-1060 and H-1070, it was stated that the salaries of the Masters are paid by Irving Oil which are in turn charged out to the owners of the vessels. No explanation was given for this arrangement and it can only be assumed to be because the vessels are chartered from time to time by that company. According to the oral evidence, Engineering Consultants Limited has nothing to do with the management or direction of these two vessels or with the direction of the employees on them.

Although only one of the six vessels is owned by the Respondent, it is quite obvious that so far as employees on the six different vessels were concerned, they could only be under the impression, generally speaking, that they were employed by the Respondent. For example, when an individual was seeking employment on one of the ships, he normally contacted the Respondent in person or by telephone and if considered suitable, was given a Notice of Appointment on Respondent's letterhead signed on behalf of the Respondent. While the hiring was in the discretion of the Master in each case, nonetheless the individual would naturally assume that he was dealing with the Respondent as employer, and oral evidence was given to this effect. Similarly, such matters as overtime statements normally were on the Respondent's stationery. One payroll stub for a fireman-oiler on the vessel H-1060 and bearing the Respondent's name and address stamped thereon .... was introduced in evidence. While the evidence was that this would be received from the Master or purser of the vessel, Counsel for the Respondent stated that the stamp did not appear on similar documents given to employees, but no further evidence was led in this respect. Again, correspondence carried on with a seaman on the H-1070 who had been injured was entirely by the Respondent in respect of compensation and his return to work. Of the two forms sent to him for a Surgeon's Report, the name of the employer filled out on behalf of the Respondent was shown as the Respondent in one case and as the Respondent as Managers in the other. . . .

In regard to the foregoing, considerable emphasis was placed upon "Agreement and List of Crew," commonly referred to as Articles of Agreement filed in respect of each vessel and covering the period which included the date of the Application. These documents were produced under subpoena by the Supervisor, Registry of Seamen, of the Federal Department of Transport. He stated that these Articles are forwarded to him by the shipping masters or collectors of customs at various ports in Canada. Upon receipt of each document, it is checked to ascertain if any information is missing but not as to the accuracy of the information shown. The information is supposed to be entered at the port and the shipping master at the port is supposed to check the information. If information is missing, the Supervisor will write the owner in order that it may be completed. The entries in the Articles are, however, purportedly signed by the Master of the vessel on the date the Articles are turned over to the shipping master with a declaration that the entries are true. These entries are quite extensive and, inter alia, include the name of the vessel, the Managing Owner and particulars of engagement of each member of the crew, purportedly signed by each such member, during the period in which the Articles were open. In the Articles for each of the six ships covering the period including the date of the Application or immediately preceding it, the Managing Owner in each case is shown as Kent Line Limited, Saint John, New Brunswick. In Articles for earlier periods other associated companies may be shown as Managing Owners; for example, Irving Oil is shown as Managing Owner of the Aimé Gaudreau for the period July 4, 1969, to January 15, 1970, and Engineering Consultants Limited as Managing Owner of the H-1060 for the period July 8, 1969, to July 12, 1970.

There was no explanation given for the Respondent being shown as Managing Owner of each vessel for the relevant period except that the formal entries were stated to be made by the shipping master at the particular port in the case of the vessel Irvingstream. On the other hand, certified true extracts from the Register Book, dated October 14, 1971, signed by the Registrar of Shipping (British Ships), Port of Saint John, show the registered ownership of the vessel Irvingstream as Irving Oil, of H-1060 and H-1070 as Engineering Consultants Limited and of Irvingwood as the Respondent at that date and in the period preceding as indicated in the evidence hereinbefore referred to. Thus the only conclusion that can be reached is that the Masters of the vessels themselves did not know for certain the ownership of the vessels.

The evidence also makes it clear that because of the close relationship among the companies concerned in ownership or operation of the vessels, many of the functions purportedly performed by the Respondent are in fact exercised by employees or officials of Irving Oil. For example, C. J. Way, Personnel Superintendent of Irving Oil, performs personnel functions for the Respondent in that he refers persons to Masters of the various vessels as potential employees and operates out of the Respondent's offices. He admitted that one could be led to believe he was Personnel Superintendent for the Respondent. He said that applications for employment on the vessels come to his office. If satisfactory and there is an opening, the Applicant is referred to the Master of the particular ship and if acceptable to the Master, signs the Articles and commences work. Notices of Appointment for such employees which have been previously referred to are signed by employees working under Way on behalf of the Superintendent's Department of the Respondent.

Similarly, William London, Supply and Transportation Manager of Irving Oil, exercises considerable authority and control over the operation of all six vessels. As Transportation Manager he is responsible for the despatch of all six vessels, for their manning and management and generally responsible to see that they are operated profitably. He admitted that he had fired the Master of the Irvingwood for alleged misconduct, that he had authority to hire and fire him and that this authority came from Arthur Irving, Vice-President of Irving Oil. Also, C.J. Way reports to him and he has full authority in respect to Mr. Way. He also exercises considerable authority in regard to Masters generally, does the actual hiring of them and has advised them in carrying out their functions, particularly in regard to promotions, demotions and discipline of those aboard ship.

The foregoing and other methods of operation clearly indicate that for all practical purposes the operation of the six vessels is treated as a single operation. For example, the salary scale for licensed and unlicensed personnel on the six vessels is established by W. London, employees may be transferred from one vessel to another and cumulative service on any of the vessels counts towards benefits such as vacation. Although such transfers are made ostensibly by the Respondent, they are apparently done by Irving Oil employees such as C. J. Way operating under the direction of W. London.

According to the evidence, the only company that puts itself forward in publicity as an operator of vessels is the Respondent and there was no evidence that any of the other companies do so. In the Annual Returns, Irving Oil shows its class of business as being petroleum products; Engineering Consultants, Limited as engineering consultants; and Universal Sales, Limited as automobile dealership, etc.

On the facts which have been adduced, there is no argument that the persons concerned in the application are employees. The question is whether or not the Respondent is the employer of the employees on the six vessels concerned. The close interrelationship of the various companies which have been referred to has been admitted and it is also clear from much of the evidence adduced prior to this admission. Also, there appears to be no question that the operation of the six vessels is treated as a single operation by all companies involved in ownership of the various vessels. In considering who is the employer, the following authorities are relevant on the question of an employer-employee relationship:

> "Whether or not, in any given case, the relationship of master and servant exists is a question of fact; but in general the relationship imports the existence of power in the employer not only to direct what work the servant is to do, but also the manner in which the work is to be done. A person may be the servant of another although a third party has the power of appointing or dismissing him or of requiring his dismissal, or has powers of direction and control in regard to his work, or pays him his wages."
>
> (Halsbury's Laws of England, 3rd ed; Vol. 25, p. 447)

> ".... In earlier cases a single test, such as the presence or absence of control, was often relied on to determine whether the case was one of master and servant, mostly in order to decide issues of tortious liability on the part of the master or superior. In the more complex conditions of modern industry, more complicated tests have often to be applied. It has been suggested that a fourfold test would in some cases be more appropriate, a complex involving (1) control; (2) ownership of the tools; (3) chance of profit; (4) risk of loss. Control in itself is not always conclusive. Thus the master of a chartered vessel is generally the employee of the shipowner though the charterer can direct the employment of the vessel. Again the law often limits the employer's right to interfere with the employee's conduct, as also do trade union regulations. In many cases the question can only be settled by examining the whole of the various elements which constitute the relationship between the parties. In this way it is in some cases possible to decide the issue by raising as the crucial question whose business is it, or in other words by asking whether the party is carrying on the business, in the sense of carrying it on for himself or on his own behalf and not merely for a superior."
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> (Montreal v. Montreal Locomotive Works Ltd. (1947) 1 D.L.R. 161; Lord Wright at p. 169)

While analagous situations involving integrated companies have been dealt with in cases in the United States by considering one as the employer, these are not of assistance in deciding the matter in this instance because of the broad definition of "employer" in the relevant legislation which appears to encompass a number of relationships and on which the decisions have turned. The Canada Labour Code, however, does not define the term beyond the meaning of "any person who employs one or more employees."

The various companies involved in ownership or operation of the vessels are separate corporate entities even though closely interrelated, and the jurisprudence is clear that even the fiction of separate corporate entity has been maintained in such instances unless it has been used for improper purposes. No evidence has been adduced to indicate that such is the case. All of the companies were incorporated long before this Application was made. The situation is similar with respect to ownership and bareboat charter arrangements concerning the six vessels and there is no evidence that the ship's agency arrangements between the Respondent and the owners or bareboat charterers were for any improper purpose including the purpose of defeating this Application. According to the uncontradicted evidence, the Respondent operates a bona fide ship's agency in which it carries out its functions on behalf of independent vessels as well as the so-called Irving vessels.

While the employees may have been under the impression they were dealing with the Respondent and that the Respondent ostensibly exercised control over them, this is not conclusive in the circumstances in determining who the employer is. It is clear that substantial control was exercised by officials or employees of Irving Oil over the employees of all vessels including the Irvingwood owned by the Respondent. As previously mentioned, there is no question that the operation of the six vessels is treated as a single operation and if all the companies involved were treated as co-employers for purposes of certification, the ramifications so far as labour relations are concerned could create an impossible situation. Similarly, if, as the evidence establishes, the Respondent is the ship's agent in various aspects of labour relations, the true employer would be the principal or the organization exercising control. In the present Application none of the remaining companies was named or represented before the Board. After careful consideration of the evidence the Board is of the view that the Respondent is not the employer for collective bargaining purposes in respect of the vessels other than the Irvingwood and the Application in this respect is therefore rejected. The Respondent, however, has admitted that it is the owner of the vessel Irvingwood and is in effect the employer of the unlicensed personnel aboard the vessel. The Board finds that a unit of employees of the Respondent employed upon this vessel comprised of employees in the classification of the following unlicensed personnel: bosun, pumpman, A.B. (seaman), oiler, chief cook, messman, and messboy, is appropriate for collective bargaining and that a majority of employees in the said unit are members in good standing of the Applicant. An Order will therefore issue certifying the Applicant as bargaining agent for the unit of employees of the Respondent heretofore described who are employed upon the vessel Irvingwood.

The Board is of the view that because of the close relationship of the various companies and integrated operation, the Applicant has been in a most disadvantageous position due to lack of information which it was only able to obtain at considerable expense by full hearings and examination under oath of officials and employees of the various companies. This does not appear to be equitable. In the view of the Board this case is a classic example of a situation which could best be taken care of by specific legislation whereby one of the corporate entities, depending upon the evidence adduced, may be declared to be the employer for collective

bargaining purposes. Such legislation exists in some jurisdictions and is proposed in section 133 of Bill C-253, An Act to amend the Canada Labour Code.

(Sgd.) J.J. Quinlan,
Vice-Chairman and Acting
Chairman for the Board

Ottawa, January 18, 1972.

Reasons for Judgment in Application for Certification Affecting

General Truck Drivers and Helpers Local Union No. 31, General Teamsters Union Local 181, General Teamsters Local Union No. 362, Chauffeurs, Teamsters and Helpers Local Union No. 395, and General Drivers, Warehousemen and Helpers Local Union No. 979, of the International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers of America (Applicants)

and

Millar & Brown Ltd. (Respondent)

and

T. M. Dawson, et al (Interveners)

The Board consisted of A. H. Brown, Chairman, and E. R. Complin, J. A. D'Aoust, Jacques Guilbault, Gérard Picard, R. C. Smith, and W. T. Wilson, Members. The Judgment of the Board was delivered by the Chairman.

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1. The Respondent is a corporate commercial common carrier engaged in inter-provincial and extra-provincial hauling of freight by road transport between points in the Provinces of British Columbia, Alberta, Saskatchewan and Manitoba and also to certain points in the states of North Dakota and Montana in the United States of America.

2. The Applicants apply to be certified as bargaining agent for a unit of employees of the Respondent consisting of all employees of the Respondent including owner-operators working at and from points in the provinces of British Columbia, Alberta and Saskatchewan, excluding office and sales employees.

   Described in terms of the payroll classifications of employees of the Respondent as of the date of the application and as clarified by the parties at the hearing held by the Board on the application on December 8, 1971, the proposed unit consists of persons classified as tireman, greaser, reefer/refrigeration serviceman and washer, reefer/refrigeration tradesman, dockworker, linehaul driver, mechanic with trade card, mechanic without trade card, mechanic (qualified tradesman), mechanic-welder, working foreman, master retreader, shop assistant, pick up and delivery driver, and owner-operator.

3. The Respondent contests the inclusion in the proposed bargaining unit of owner-operators whom it submits are independent contractors and not employees of the Respondent and submits further that, if these owner-operators are found by the Board to be employees of the Respondent, they are distinguishable from other line haul drivers employed by the Respondent and are not appropriate for inclusion in the proposed unit.

4. The Interveners consisting of 28 of these owner-operators out of a total of 44 owner-operators under contract with the Respondent contest the inclusion of owner-operators in the proposed bargaining unit on the same grounds advanced by the Respondent.

5. The Respondent holds commercial carrier route franchise licences issued by the provincial route franchise licensing authorities in the provinces in and through which it operates and holds also route licences in respect of its road transport operations to points in the United States issued by the United States Interstate Commerce Commission. The route licences so held by the Respondent are essential requirements for the operation of the Respondent's inter-provincial and extra-provincial freight transport undertaking as presently carried on.

6. The 315 trailers used by the Respondent in its freighting operations which carry the freight hauled by the Respondent are owned by the Respondent. Of the 92 road haul tractors used by the Respondent to haul these trailers in the transport of freight, 55 tractors are owned by the Respondent and these tractors are driven by driver employees of the Respondent. The other 37 tractors utilized have been secured for this purpose by the Respondent under individual agreements with the owners of these tractors. These contracting tractor owners are also the drivers of their own tractors in the haul of the Respondent's trailers under the terms of the agreement between the Respondent and the owner-operator. These owner-drivers are designated as owner-operators for the purposes of this application.

7. Based upon the report of the Board's Investigating Officer following his check of the payroll records of the Respondent and the membership records of the Applicants as of the date of the application for certification, the Board finds that there were 306 employees of the Respondent in the proposed bargaining unit apart from owner-operators and of these a majority were members in good standing of the Applicants as of that date and, as of that same date, there were 44 owner-operators in the proposed bargaining unit of whom a majority were members in good standing of the Applicants at that date.

8. The Applicants and the Respondent are parties to a collective agreement entered into between Canadian Freightways Ltd., Loiselle Transport Ltd., Millar & Brown Ltd. and Little Chief B-Line Express Ltd. as parties of the first part and the Applicant unions as parties of the second part effective as from January 1, 1968, and revised April 9, 1970, for a term expiring December 31, 1971. This agreement in its effect as between the Applicants as bargaining agent for the employees of the Respondent and the Respondent covers all of the employees of the Respondent included in the bargaining unit for which the Applicants seek certification as bargaining agent by the present application, other than the owner-operators.

9. Article 2, section D, subsection (1) of the collective agreement under the head "OWNER OPERATORS" reads as follows:

> "(1) Every motor vehicle and every piece of mobile equipment used by the Company, categories of which are set out in Appendices "A" and "B", whether owned by or hired by the Company or leased to or by it or howsoever, shall be operated by employees of the Company, members of the Union, unless:
>
> a. Such owner (lease) operator becomes and remains a member of the Union in good standing, and
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> b. Receives equivalent wages and benefits as provided herein to employees of the Company when operating on a parallel run in addition to an agreed upon equipment rental as arranged between himself and the Company."

10. According to the evidence given at the hearing held by the Board on the application, the Respondent secures the use of the 37 road haul tractors owned by the owner-operators and the services of the owner-operators as the drivers thereof under individual agreements with the owner-operator of the tractor on terms and conditions which are of a uniform nature for all such agreements apart from some minor variations in the agreements entered into with a small minority of owner-operators who have established themselves as a corporate entity. The terms and conditions of these agreements, none of which have been reduced to writing, are substantially as follows:-

(1) The Respondent hires the owner-operator's tractor and the services of the owner-operator thereof as driver thereof to haul the Respondent's trailers in the haul of freight in the Respondent's road transportation freighting business at an agreed mileage rate. The Respondent is responsible for the payment of workmen's compensation assessments and the provision of public liability and property damage insurance on the tractor unit and gives the owner-operator the option of coming in under the Respondent's fleet protection insurance policy covering damage arising out of collision or upset of the vehicle, at a specified monthly rate to be deducted from this owner-operator's monthly earnings. The owner-operator is responsible for payment of his own unemployment insurance deductions and income tax and pension payments, and the provision for and payment of the costs of maintenance and repair of his own tractor unit. The maintenance facilities of the Respondent are not available for use by him for this purpose. He is responsible for payment of the gas and oil used in the operation of his tractor unit but may at his option use the Respondent's fuel facilities and is provided with a company credit card for gas and oil used enroute but is billed by the Respondent for the recovery of all fuel charges. All operating licences including motor vehicle plates required in the use of the tractor in the Respondent's operations are purchased by and issued to the Respondent in its own name in compliance with the requirements of the several provincial licensing authorities, and I.C.C. requirements. The costs thereof are absorbed by the Respondent. The owner-operator is responsible to secure and pay the costs of his own driving licence. He is required to paint his tractor in the Respondent's colours at his own expense and to carry the name of the Respondent thereon and may carry his own name thereon as well. He is not required to keep his tractor on the Respondent's premises nor does the agreement require the tractor to be kept for the Respondent's exclusive use during the period of the agreement. However, such other use of the tractor for commercial purposes would appear unlikely as this would require the use of other licence plates. The evidence of the owner-operator called as a witness by the Respondent is that he was advised by the Respondent at the time of entry into the service of the Respondent that he could count on an average of at least 10,000 miles per month for tractor use under the agreement.

(2) Either party may terminate the agreement at any time without prior notice, and in such event the licence plates carried on the tractor will be removed by the Respondent and the Respondent's name removed from the vehicle.

(3) All owner-operators are required in accordance with the provisions of the collective agreement referred to above to become members of the appropriate Teamster local union and are required by the Respondent to take out coverage under the Teamsters' health and welfare plan for their own protection.

(4) The owner-operator submits monthly his statement of mileage earnings and the Respondent after making deductions for fuel and road repair costs and a checkoff for union dues and union welfare payments sends the owner-operator a cheque for the amount of the monthly earnings.

(5) The owner-operator is solely and wholly responsible for the cost of purchase and the financing of the purchase of his tractor and receives no financial assistance in respect thereof from the Respondent. The majority of these tractors include a sleeper cab facility to enable the use of two drivers thereon but on the Respondent's operation only the one driver, namely the owner-operator, is required. The evidence is that the purchase price of a tractor of the type used is in the $30,000 range.

In event another driver is required as a relief to an owner-operator, such relief driver shall be a Teamster union member.

(6) An owner-operator is not required to take driver or medical tests by the Respondent prior to his acceptance but the Respondent satisfies itself by prior inquiry as to his qualifications to operate the tractor in accordance with the requirements of the agreement.

(7) Under the operating arrangements in effect, the owner-operators are dispatched from the Respondent's various terminals on a rotation basis similar to that applied in the case of company line haul drivers, that is to say the first tractor trailer unit coming into the terminal will be the first out on the next run provided the driver has had his rest. The owner-operator has no part in the fixing or collection of customer freight charges or solicitation of business. The Respondent's dispatcher directs where the owner-operator is to go on the run and he is required to keep to the trip timetable given to him by the dispatcher in the running order. The Respondent issues an instruction manual to its own drivers containing the company rules relating to the making of reports and handling of bills and the driving of company equipment, etc. The content of this manual does not apply to the owner-operators and according to the evidence, apart from compliance with the dispatch instructions, the Respondent does not attempt to direct the owner-operator as to any other matter involved in the operation of the tractor unit with one exception namely that the owner-operator is expected to comply with the road safety driving rules for all drivers posted by the Respondent on all terminal bulletin boards from time to time and all drivers whether owner-operators or line drivers are monitored by the Respondent's radar road control system which checks all units for road speeds in the areas where this control operates. Penalties established for non-observance of these bulletined instructions involve suspensions for one or more trips or for a specified period of time. It appears to be

a matter for the owner-operator to decide whether he will accept such penalty for non-observance or take an alternative course of action by terminating his agreement with the Respondent. The owner-operator is responsible for payment of any fine levied for overloading if he hasn't weighed his unit before leaving the terminal. In general the Respondent's recourse in event of unsatisfactory performance by the owner-operator is by way of termination of the agreement.

(8) According to Dawson's evidence the mileage rate payable to owner-operators under the agreements has been unilaterally increased in each of the past three years by the Respondent at a figure which the owner-operators have accepted.

11. The evidence of Dawson, an owner-operator who is one of the Interveners, is that the opposition which he and his fellow interveners have to the inclusion of the owner-operators in the proposed bargaining unit is based upon their understanding of the statements made by officers of the Applicants at a union meeting held in Calgary of line drivers which the witness sat in on, to the effect that the objectives of the unions is to terminate the owner-operator arrangements with the companies and the consequent loss or curtailment of the scope of the owner-operator business.

12. N. Finley, the Secretary-Treasurer of Teamster Local Union 362 gave evidence that the meeting of company line drivers was held in Calgary early in 1971 (the meeting referred to in Dawson's evidence) at a time when the Applicants were drawing up proposals for revision of the current collective agreements to which they were parties in order to protect the wages and working conditions of the drivers by providing that owner-operators would work under these arrangements. He had told the line drivers present at the meeting that in order to protect themselves against loss of their jobs, the union would have to get owner-operators under controls so that they could not abuse the wages or working conditions or alternatively get rid of the owner-operators. These controls would include control of hours of work and the regulation of the mileage rate paid. The proposals being advanced to the companies including the Respondent were that the owner-operators should get a separate cheque for wages and a separate cheque to cover the cost of operation of their equipment which could be on a mileage basis. He had said that the line drivers in the union felt that the owner-operators were a threat to their job.

13. Counsel for the Applicants submits that the relationship between the Respondent and the owner-operators is not substantially different from the relationships between the transport company and its owner-operators in the Gill Interprovincial Lines case 62 CLLC para. 16231, CLLR Vol. 2, 1960-64 p. 1031 or in the Pacific Inland Express case 63 CLLC para. 16258, CLLR Vol. 2, 1960-64 p. 1107 in which cases the Board found the owner-operators to be employees of the company rather than independent contractors. The Board is of opinion upon consideration of the evidence that there are pertinent differences therefrom in the relationship between the Respondent and the owner-operators in the present case as was pointed out by counsel for Respondent and the Interveners in the nature and extent of the controls exercised by the Respondent over the manner in which the work contracted for is carried out by the owner-operators and over the use of the tractor and concludes that the owner-operators involved in the present application fall into the category of independent contractors rather than employees of the Respondent. The Board considers if useful to add that in event the owner-operators were held to be employees of the Respondent, the owner-operators would not in its opinion be appropriate for inclusion in the proposed bargaining unit with other drivers of the Respondent in view of the conflict of interests between these two groups as brought out in the evidence at the hearing.

14. The Board has had occasion to consider the issue raised on the present application as to whether owner-operators are independent operators or employees of the Respondent in a number of earlier applications for certification of driver employees of employers engaged in the transportation of freight by road transport and has issued written judgments in a number of these cases, viz., Gill Interprovincial Lines Ltd. 62 CLLC para. 16231 CLLR Vol. 3 p. 103; Pacific Inland Express Ltd. 63 CLLC para. 16258 CLLR Vol. 2 p. 1107; Midland Superior Express Ltd. 66 CLLC para. 16085 CLLC Transfer Binder 1964-66 p. 13276; Arrow Transit Lines Ltd. 66 CLLC para. 16086, 1964-66 Transfer Binder 13277; Midland Superior Express Ltd. 67 CLLC para. 16009, CLLR Binder 1967-69 p. 13025. The decision in each of these cases was based on the particular facts and circumstances as found in that case by the Board.

15. Upon consideration of the facts in this case and the able arguments advanced by counsel for the several parties to the application the Board finds that a unit of employees of the Respondent classified as tireman, greaser, reefer/refrigeration serviceman and washer, reefer/refrigeration tradesman, dockworker, linehaul driver, mechanic with trade card, mechanic without trade card, mechanic (qualified tradesman), mechanic – welder, working foreman, master retreader, shop assistant, and pick up and delivery driver is appropriate for collective bargaining and that a majority of the employees in the said unit are members in good standing of the Applicants.

An order will issue accordingly certifying the Applicants as bargaining agent for the employees in the said unit.

(Sgd.) A.H. Brown,
Chairman
for the Board

Reasons for Judgment in Application for Certification Affecting

General Truck Drivers and Helpers Local Union No. 31, and General Teamsters Local Union No. 362, of the International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers of America **(Applicants)**

and

Canadian Freightways Limited **(Respondent)**

and

G. W. Franklin, et al **(Interveners)**

The Board consisted of A. H. Brown, Chairman, and E. R. Complin, J. A. D'Aoust, Gérard Picard, R. C. Smith and W. T. Wilson, Members. The Judgment of the Board was delivered by the Chairman.

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1. The Respondent is a corporate commercial common carrier engaged in inter-provincial and extra-provincial hauling of freight by road transport between points in the Provinces of Alberta and British Columbia, the Northwest Territories and to points in the State of Alaska, U.S.A.
2. The Applicants apply to be certified as bargaining agent for a unit of employees of the Respondent consisting of all employees of the Respondent including owner-operators working at and from Burnaby, Prince George, Terrace, Houston, Burns Lake, Smithers, Dawson Creek, Fort St. John and Fort Nelson in British Columbia, Watson Lake and Whitehorse in the Yukon Territory, and Lethbridge, Coutts, Calgary, Edmonton and Grande Prairie in the Province of Alberta, excluding dispatchers except at Burnaby, B.C., office employees and sales employees.

   Described in terms of the payroll classifications of employees of the Respondent as of the date of the application and as clarified by the parties at the hearing held by the Board on the application on December 9, 1971, the proposed bargaining unit consists of persons employed by the Respondent classified as:

   > maintenance man, tireman, city pick-up and delivery man, dockman, line driver, city dispatcher at Burnaby, B.C., working agent, and owner-operator, excluding sales personnel, general office personnel, city driver supervisor, line dispatcher, city dispatcher (except at Burnaby, B.C.), dock foreman, terminal manager, maintenance shop manager, operations manager, office manager, and part-time employees who have worked less than 128 hours in a 30-day period.
3. The Respondent contests the inclusion in this proposed bargaining unit of owner-operators who it submits are independent contractors and not its employees and in any event if held by the Board to be employees the Respondent submits that these owner-operators are not appropriate for inclusion in the proposed unit as having interests distinguishable from and conflicting with the interests of the line drivers. It also contests the inclusion of city dispatcher at Burnaby, B.C., and working agent in the proposed unit.
4. The Interveners consisting of eight owner-operators out of a total of 11 owner-operators under contract with the Respondent at date of the application contest the inclusion of owner-operators in the proposed bargaining unit on the same grounds advanced by the Respondent.
5. The Respondent holds commercial route franchise licences issued by the appropriate provincial and territorial route franchise licensing authorities in the provinces and territories in and through which it operates and holds also route licences in respect of its road transport operations to points in the United States issued by the United States Interstate Commerce Commission. The route licences so held are essential requirements for the operations of the Respondent's freight transport undertaking as presently carried on.
6. Based upon the report of the Board's Investigating Officer following his check of the payroll records of the Respondent and the membership records of the Applicants as of the date of the application for certification, the Board finds that there were 348 employees of the Respondent in the proposed bargaining unit apart from owner-operators at that date and, of these, a majority were members in good standing of the Applicants. As of the same date, there were 11 owner-operators of whom a majority were members in good standing of the Applicants on that date. The 348 employees include 3 city dispatchers at Burnaby, B.C., and 5 working agents.
7. The Applicants and the Respondent are parties to a collective agreement entered into between Canadian Freightways Ltd., Loiselle Transport Ltd., Millar & Brown Ltd. and Little Chief B-Line Express Ltd. as parties of the first part and the Applicant unions herein and Chauffeurs, Teamsters and Helpers Local Union No. 395 and General Teamsters Union Local 181 and General Drivers, Warehousemen and Helpers Local Union 979, of the International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers of America, as parties of the second part effective as from January 1, 1968, and revised April 9, 1970, for a term expiring December 31, 1971. This agreement in its effect as between the Applicants as bargaining agent for employees of the Respondent covers all of the employees of the Respondent included in the bargaining unit for which the Applicants seek certification as bargaining agent by the present application other than owner-operators and city dispatchers at Burnaby, B.C.

   Article 2, section E, subsection (3) "WORKING AGENTS" of this collective agreement provides that a working agent shall be an employee of the company and shall be used by the company only at such remote locations where the company's volume of business will not support and the company does not employ more than four employees including the working agent. He shall be a member of the union but otherwise excluded under the terms and conditions of this agreement except that the monthly or annual monetary remuneration or benefits to him by the company shall be in an amount not less than he would otherwise receive under the terms of this agreement for time worked and shall be on a monthly salary as described.

   Article 2, section D, subsection (1) of this collective agreement under the head "OWNER OPERATORS" reads as follows:

   > "(1) Every motor vehicle and every piece of mobile equipment used by the Company, categories of which are set

out in Appendices "A" and "B", whether owned or hired by the company or leased to or by it or howsoever, shall be operated by employees of the Company, members of the union, unless:

a. Such owner (lease) operator becomes and remains a member of the union in good standing, and

b. Receives equivalent wages and benefits as provided herein to employees of the Company when operating on a parallel run in addition to an agreed upon equipment rental as arranged between himself and the Company."

8. The trailers used by the Respondent in its freighting operations which carry the freight transported by the Respondent are owned by the Respondent. All of the road haul tractors used by the Respondent to haul these trailers in the transport of freight are owned by the Respondent except those tractors secured for such transport purposes under individual written agreements with the owners thereof. These contracting tractor owners also drive their own tractors in the haul of the Respondent's trailers under the terms of the agreement between the Respondent and such tractor owner. These owner-drivers are designated as owner-operators for the purposes of this application.

9. The written agreements between the Respondent and the several owner-operators are uniform in content and a copy thereof which was filed as Exhibit R-1 in the evidence given at the Board hearing is appended hereto as Appendix "A" for reference, omitting only the specific rates set forth in Schedule "B" to the agreement as filed.

10. The following is a summary of evidence given at the hearing bearing on the provisions of this agreement and the relationships between the Respondent and the owner-operators and the manner in which the operations of the Respondent in which the services of the owner-operators are engaged are carried on.

(1) All owner-operator tractors under contract are sleeper cab tractors and carry two drivers on the run, one of whom is the owner-operator. The other designated as a driver-helper drives in shifts on the run and is a line driver employee of the Respondent. Specific runs are assigned by the Respondent to each owner-operator and in the assignment of a driver-helper to an owner-operator, the runs are put up for bid by the Respondent's line drivers for driver-helper on the run. The senior man on the Respondent's line driver roster takes the run he bids for pursuant to the terms of the collective agreement to which the Applicants and the Respondent are parties. The driver-helper so assigned remains on the Respondent's payroll as an employee of the Respondent. The owner-operator reimburses the Respondent for the driver-helper's wages while so assigned. While the evidence of the Respondent's witnesses, the Director of Industrial Relations and two owner-operators, is that the owner-operator has the right to supervise and discipline and even dismiss the driver-helper assigned to him no instance could be cited by them where this had been attempted in their own experience or to their knowledge. Any differences between the owner-operator and the driver-helper were in practice disposed of in discussions between them.

In practice the driver-helper makes up a pay claim for his runs which upon authorization by the owner-operator is turned over to the Respondent's payroll accounting section for payment to the driver-helper. The Respondent pays workmen's compensation assessments, and makes income tax and pension deductions in respect of the driver-helper as in the case of other of its line drivers.

(2) The Respondent's dispatcher at the terminal gives the owner-operator his running orders for each road trip assigned to him, which sets up the time to leave and arrive at destination.

(3) The Respondent issues a Line Drivers Manual containing detailed instructions to its line drivers covering operations, inspection and care of equipment, checking and handling freight, mechanical heating and refrigeration units, reporting forms, vehicular accident reporting, safety driving records and awards. While the evidence given by the Respondent's and Interveners' witnesses was equivocal as regards the extent of the application of the content of the manual to the owner-operators, the Board concludes that the instructions in this manual are applicable to them apart from the instructions covering the manner in which the tractor engine is to be run and its maintenance in respect to which the owner-operator as the owner thereof is responsible for repair and maintenance costs.

(4) Tachographs and speedographs are required by the Respondent to be installed and used on all the owner-operators' tractors as well as on all the Respondent's tractors. These installations provide a record for the Respondent of each trip and record speeds and R.P.M. of the tractor and register stops and idling time. Respondent's evidence is that in the case of the owner-operator this is required for his own protection so that in case of accident the Respondent can refer to these instruments to find out what occurred.

(5) In event of dissatisfaction by the Respondent with the performance of an owner-operator, the Respondent's ultimate recourse would be to invoke the provision for termination of the agreement which is contained therein.

(6) The evidence of owner-operators Taylor and Franklin is that when they signed up with the Respondent, it was understood by each of them in the light of their discussions with Respondent's officers that he as an owner-operator was an independent business man leasing his equipment to the Respondent. Each was told also that he would have to become a member of the appropriate Teamster local union as a condition of his entry with his tractor into the service of the Respondent under the terms of the collective agreement.

11. The evidence of S. B. Whitelock, President of the General Truck Drivers and Helpers Union Local 31, is that the union had made written proposals to the Respondent as to the manner in which owner-operators should be treated in event certification is granted to the union to represent them. This proposal provides (a) that in event an employee of the Respondent is available to work, he would get the work before any owner-operator, (b) the owner-operator would be hired on a separate seniority list and would be dispatched in the same manner as the company employees but would have seniority only as owner-operator, (c) whenever the services of an owner-operator are discontinued for any reason, the service shall be provided by an employee of the company and company owned equipment. On cross-examination he agreed that the union proposals, if implemented, would mean that when the employing situation is such that there is not enough work for both non-owner-drivers and owner-drivers, the preference would be given to the non-owner-drivers. The evidence of Taylor and Franklin, both owner-operators with the Respondent, is that in their opinion the Applicants are not a suitable agent to bargain on their behalf in view of the conflict of interest between the Respondent's line drivers and the owner-operators. In their view the union proposals as outlined by Whitelock, if implemented, would put the owner-operators out of business.

12. The Board has had occasion to consider the issue raised on the present application as to whether owner-operators are independent operators or employees of the Respondent in a number of earlier applications for certification of driver employees of employers engaged in the transportation of freight by road transport and has issued written judgments in a number of

these cases, viz., Gill Interprovincial Lines Ltd. 62 CLLC para. 16231 CLLR Vol. 3 p. 103; Pacific Inland Express Ltd. 63 CLLC para. 16258 CLLR Vol. 2 p. 1107; Midland Superior Express Ltd. 66 CLLC para. 16085 CLLC Transfer Binder 1964-66 p. 13276; Arrow Transit Lines Ltd. 66 CLLC para. 16086, 1964-66 Transfer Binder 13277; Midland Superior Express Ltd. 67 CLLC para. 16009, CLLR Binder 1967-69 p. 13025. The decision in each of these cases was based on the particular facts and circumstances as found in that case by the Board.

In delivering the Privy Council judgment in Montreal vs. Montreal Locomotive Works (1947) 1 DLR p. 161 at p. 169, Lord Wright after setting forth a four-fold test for use in some cases in determination of the relationship of master and servant or agency or independent contractorship namely (1) control, (2) ownership, (3) chance of profit and (4) risk of loss, went on to say "In many cases the questions can only be settled by examining the whole of the various elements which constitute the relationship between the parties. In this way it is in some cases possible to decide the issue by raising as the crucial question whose business is it, or in other words by asking whether the party is carrying on the business, in the sense of carrying it on for himself or on his own behalf and not merely for a superior."

13. Upon consideration of the particular facts of this case and consideration of the able arguments advanced by counsel for the several parties to the application, the Board is of opinion that the arrangements between the Respondent and the owner-operator establish an employer-employee relationship between the Respondent and the owner-operator. The Board finds accordingly that the owner-operators in this case are employees of the Respondent within the meaning of and for the purposes of Part V of the Canada Labour Code.

14. The Board is of opinion also that the owner-operators are not appropriate for inclusion in the bargaining unit for which the Applicants seek certification as bargaining agent in view of the opposing interests between the line drivers of the Respondent in this unit and the owner-operators. This conflict of interests which exists as between these two groups is clearly demonstrated by the evidence given on this point at the Board hearing.

In the opinion of the Board, the evidence establishes decisively that the majority of owner-operators who are also the Interveners herein do not wish to be included in the proposed bargaining unit for which the Applicants seek certification nor to be represented in any event by the Applicants as their bargaining agent. The application of the Applicants to the extent that it provides for the inclusion of the owner-operators in the bargaining unit is rejected. The Board rejects also the alternative request of counsel for the Applicants that in such event the Applicants should be certified as bargaining agent for a separate unit consisting of owner-operators only.

15. As regards the inclusion of the city dispatchers at Burnaby, B.C., in the proposed bargaining unit, the Board notes that at least in the past several years the successive collective agreements between the Applicants or any of them and the Respondent have not covered these city dispatchers even though they or some of them may have been members of the union as one of the Applicants witnesses has said. Dispatchers of the Respondent at other terminals have not been included in the bargaining unit under such agreements nor have these other dispatchers been included in the proposed bargaining unit herein. Neither has it been the Board's practice to include dispatchers in units with dispatched employees in the road transport industry. Neither have the Applicants made a valid case distinguishing the functions of the Burnaby City dispatchers from those of other dispatchers at other terminals.

16. As noted earlier in these Reasons for Judgment, the working agents whose inclusion in the unit is disputed by the Respondent, have been covered by the expiring collective agreement to which the Applicants and the Respondent are parties and while these working agents possess some supervisory functions and disciplinary authority they fall in the category of working foremen and the Board is of opinion that in the circumstances a convincing case has not been made for their exclusion from the proposed bargaining unit at this time.

17. The Board finds
    (a) That the Applicants are trade unions within the meaning of Part V of the Canada Labour Code; and
    (b) That the following described unit of employees of the Respondent is appropriate for collective bargaining: a unit of employees of the Respondent classified as maintenance man, tireman, city pick-up and delivery man, dockman, line driver, and working agent, excluding sales personnel, general office personnel, city driver supervisor, line dispatcher, city dispatcher, dock foreman, terminal manager, maintenance shop manager, operations manager, office manager, owner-operator, and part-time employees who have worked less than 128 hours in a 30-day period; and
    (c) That a majority of employees in said bargaining unit are members in good standing of the Applicants.

18. An order will issue certifying the Applicants as bargaining agent for the aforedescribed bargaining unit of employees of the Respondent which the Board has found to be appropriate for collective bargaining.

(Sgd.) A.H. Brown,
Chairman for the Board

Dated at Ottawa, January 18, 1972.

APPENDIX "A"

C.F.L.
Rev. 12/21/70

THIS AGREEMENT dated the_____ day of _____ A.D. 197___

BETWEEN:

CANADIAN FREIGHTWAYS LIMITED, a body corporate
with Head Office at 411 Meredith Road N. E. at
the City of Calgary in the Province of Alberta
(hereinafter called "the Company)

OF THE FIRST PART

— and —

_____ of the
City of_____ in the Province
of_____
(hereinafter called "the Owner Operator")

OF THE SECOND PART

WHEREAS the Company is engaged in transporting goods by tractor and trailer equipment in and between the Provinces of Alberta, British Columbia, the Northwest Territories and Yukon Territory and between points in Canada and the State of Alaska under authorities granted to it by the appropriate regulatory body (hereinafter called "the Authorities"); and

WHEREAS the owner driver represents that he has or will acquire satisfactory equipment for pulling the Company's trailers and that he and his driver employees are and will be capable and willing to provide that service as instructed from time to time by the Company; and

WHEREAS the Company is desirous of retaining the services of the Owner Operator if, as and when required by it for the said purposes

NOW THEREFORE the parties hereto agree one with the other as follows:

1. The Owner Operator agrees:
   (a) As and when required by the Company to furnish to the Company the tractor which is described in Schedule "A" hereto (hereinafter called "the said tractor") with the Owner Operator as one driver and if sleeper operation is stipulated by the Company another capable person as a second driver (hereinafter called "the driver employee"). Said tractor must at all times be suitable to carry out the Company's business and it will be exclusively available to the Company for that purpose. Owner Operators will always be one of the drivers except in cases of sickness, vacation or leave as permitted by the Company in writing.
   (b) To paint the said tractor neatly in the colours as required by the Company from time to time.
   (c) To furnish at his expense all legally required accessories to the said tractor.
   (d) To maintain and keep in good mechanical condition the said tractor and keep the same washed and cleaned.
   (e) To maintain such maintenance records as are required by law.
   (f) To install in the cab of such a tractor a speedograph and a tachograph and not to allow any person to interfere with the operation of either of the said instruments and to follow such reporting procedure by the utilization of such instruments as the Owner Operator is directed from time to time by the Company.
   (g) To furnish at his own expense such additional driver employees as are necessary who must in every case be experienced, licensed drivers. All drivers must carry out their duties with courtesy, safety and according to law. The driver employees must be members of the Union with which the Company from time to time has a labour contract for its drivers. The job of driver employee must be put up for bid as is required by the Company's labour contract from time to time.
   (h) To comply with all applicable laws and regulations including Company regulations covering the operation of Company vehicles.
   (i) To assume and pay when due all costs and expenses incident to the operation of the said tractor.
   (j) To assist in such loading and unloading of the trailers supplied by the Company as is necessary to carry out the said services in the Company's business.
   (k) To see that good care is taken of the Company's equipment including without restricting the generality of the foregoing any trailer owned by the Company with equipment which shall be returned to the Company in as good condition as when received by the Owner Operator, reasonable wear and tear excepted and to notify the Company immediately of any mechanical or other defects in the Company owned equipment.
   (l) To refrain from incurring or attempting to incur any obligation on behalf of the Company as the contractor has no authority to bind the credit or otherwise bind the Company in any way without the specific written authority of the Company provided however that the Owner Operator may charge to the Company emergency supplies of fuel, statements with respect of which the Owner Operator will immediately make available to the Company which will pay the same and deduct the amount thereof plus ten (10%) percent from monies otherwise payable by the Company to the Owner Operator.
   (m) To account for all monies received by the Owner Operator or his driver on behalf of the Company or its customers or which he and his driver has been instructed to receive on behalf of the Company or its customers.
   (n) To deliver everything carried or to be carried in the Company's trailers pulled by the said tractor complete and entire to the consignee thereof at the destination

shown on the delivery slip given to the driver of the said tractor or tractors unless specifically otherwise instructed in writing by the Company.

(o) To the extent that the Company is not fully indemnified by insurance, the Owner Operator will protect and fully indemnify and save harmless the Company against all loss, claim, damages and costs whatsoever that may hereafter at any time be made, brought against or suffered by the Company arising out of the use of the said tractor including his and his driver's operations hereunder.

(p) To become and continue to be during the currency hereof a member in good standing of the Union with which the Company has a labour contract covering its drivers from time to time. The owner will, however, not be nor be deemed to be an employee of the Company.

2. The Company agrees as follows:

(a) To supply to the Owner Operator for haulage for the Company such trailer or trailers or such other trailing equipment in a good road-worthy condition as may be required for the Owner Operator to perform hauling for the Company.

(b) To provide all necessary licenses or permits to the Owner Operator to operate under said authorities the said tractor on the Company's business which licenses and permits shall remain the sole property of the Company. The Owner Operator will be charged by the Company the amount per mile set out in Schedule "B" hereto for all miles the said tractor is driven in the Company's business in satisfaction of the cost to the Company of obtaining the said licenses and permits. It is understood and agreed that the Owner Operator will not provide any services with the said tractor to any person, firm or corporation other than the Company under, with or by means of any license or permit provided to the Owner Operator by the Company.

(c) To supply to the Owner Operator motor fuel for which the Owner Operator will be charged by the Company the amount per mile as is set out in Schedule "B" hereto for each mile the said tractor is driven and the amount set out in Schedule "B" per mile for fuel tax for each mile the said tractor is driven using the said fuel.

(d) To provide insurance at a cost to the Owner Operator per mile driven by the said tractor as set out in said Schedule "B" covering the owner driver's operations hereunder for cargo, public liability and property damage to maximum limits of FIVE MILLION DOLLARS ($5,000,000.00) but will not provide insurance of any kind against damage to or loss of said tractor due to any cause.

(e) To pay Workmen's Compensation assessments with respect to the driver employee hereunder, together with the vacation pay, if any, Canada Pension Plan deductions and all health and welfare benefits and union dues as from time to time provided in the said labour contract and all other variables as listed on Schedule "B" at the cost to the Owner Operator at the amount set out in Schedule "B" hereto. The actual amount charged will be the cost to the Company plus ten (10%) percent.

(f) To pay Workmen's Compensation assessments with respect to the work of the Owner Operator hereunder.

(g) To pay to the Owner Operator the amount specified in Schedule "B" hereto (which it is agreed pays to the Owner Operator all of his costs and profit) less proper deductions on or before the twelfth day after each monthly cutoff date with a statement showing the details of the Owner Operator's remuneration and any deductions therefrom.

3. The parties hereto mutually agree:

(a) The driver employee will be paid his wages and other benefits by the Company pursuant to the terms of the Company's labour contract from time to time covering employee drivers, the cost of all which plus eight (8%) percent will be deducted by the Company from monies otherwise payable to the Owner Operator.

(b) It is understood by the Owner Operator that the Owner Operator is responsible for and the Company will deduct from the monies otherwise owing to the Owner Operator by the Company the cost of any repairs to the Company's equipment resulting from any type of accident or incident suffered when in the care and control of the Owner Operator or his driver to the extent of the first ONE THOUSAND DOLLARS ($1,000.00) per accident or incident.

(c) Unless otherwise herein set forth, the Company may deduct from monies otherwise payable to the Owner Operator the total amount plus ten (10%) of all monies owing to the Company by the Owner Operator and monies paid by the Company on behalf of the Owner Operator and indebtedness incurred by the Owner Operator in the name of the Company.

(d) Either party may terminate this Agreement by ten days written notice to the other provided that the Company may immediately terminate this contract without notice if the Owner Operator or his driver commits any acts which the Company reasonably deems to be illegal or unsafe or which may be offensive to any of the Company's customers or if the Owner Operator provides any trucking service with the said tractor to any other person, firm or corporation other than the Company.

(e) Schedules "A" and "B" hereto may be amended or supplanted in whole or in part at any time upon the same being dated and signed by or on behalf of the parties hereto. The amounts chargeable by the Company as provided for in Paragraphs 2 (b), (c), (d) and (e) herein may be varied by the Company as its costs vary without necessarily changing the provisions in Schedule "B" hereto.

(f) Final settlement of all accounts between the parties shall be effected within ninety days following receipt of notice of termination of this Agreement.

(g) Within not more than twenty-four hours following termination of this Agreement the Owner Operator will return to the Company all of the Company's equipment lent by the Company to the Owner and remove all signs or logos affixed to the said tractor and repaint the said tractor to a colour acceptable to the Company. Until the Owner Operator has carried out all of the matters which he covenants to do in this clause following termination, the Company shall have no obligation to make any payment to the Owner Operator for any purpose whatsoever.

(h) Any notice called for hereunder may be effectively given by prepaid registered letter addressed to the Company at the address stated above and to the Owner Operator by the Company at the Owner Operator's last known address and shall be deemed to have been received on the business day following that on which the letter was posted.

(i) This Agreement supersedes any and all previous written or oral agreements made between the Owner Operator and the Company. The rights and obligations of the parties hereto shall commence upon the dating and signing of this Agreement and Schedule "A" hereto.

IN WITNESS WHEREOF the parties hereto have hereunto set their hands and seals as of the day and year first above written.

CANADIAN FREIGHTWAYS LIMITED

Per_____
Company Officer

OWNER OPERATOR

Per: _____

Per: _____

C.F.L.
Rev. 12/21/70

SCHEDULE "A"

OWNER OPERATOR'S EQUIPMENT SCHEDULE

Owner Operator's Name_____

Mailing Address _____

_____

Home Phone Number_____

Social Insurance Number _____

Unit Make_____

Serial Number of Tractor_____

Company Assigned Unit Number_____

Engine _____

Transmission _____

Rear End_____

Number of Axles_____ Tire Size _____

Fuel Capacity in Imperial Gallons _____

Wheel Base_____

Sleeper Cab (yes or no) __ _____

Tachograph and Speedograph (Mfg.)_____

Gross Weight of Tractor equipped, fuel & driver _____

Dated the_____ day of_____ A.D. 1971

Signed:_____
Owner Operator

C.F.L.
Rev. 12/21/70
7/1/71

SCHEDULE "B"

GROSS REMUNERATION PER MILE

SINGLE MAN OPERATIONS

Pursuant to Paragraph 2 (g)

SLEEPER OPERATIONS

Pursuant to Paragraph 2(g)

LESS

Cost Per Mile to be Deducted

Licenses and Permits for each Provincial License Plate supplied

Fuel and Fuel Tax

Public Liability and Property Insurance carried by the Company and charged to Owner Operator

LESS

Except as in the body of the Agreement otherwise provided any and all variables such as but not restricted to Workmen's Compensation on driver employee, Health and Welfare Plans, Medicare Plans, wages, salaries, Statutory Holidays, vacations, fringe benefits, paid by the Company on behalf of the Owner Operator or necessitated by the operations of the Owner Operator will be charged back to the Owner Operator on a basis of those actual costs, plus ten (10%) percent for handling costs and deducted from the Owner Operator's month end statements and settlement.

AND LESS

For any and all fuel purchased at an outside station or pump other than the Company's own fuel pumps or Company's own bulk storage tanks and which by necessity the Owner Operator must charge to the Company for fuel tax reporting purposes, the Company shall charge the Owner Operator the stated rate of the seven cents per mile as shown above plus an additional ten cents per gallon for those gallons purchased, plus ten (10%) percent for handling costs and such charges will be deducted from the Owner Operator's month end statements and settlement.

C.F.L.
Rev. 7/1/71

SCHEDULE "B"

GROSS REMUNERATION PER MILE

SINGLE MAN OPERATIONS

Pursuant to Paragraph 2 (g)

SLEEPER OPERATIONS

Pursuant to Paragraph 2 (g)

Those Owner Operators, who are based at Vancouver by Company direction, who operate the Vancouver to Prince George and return, commonly referred to as the Vancouver – Prince George.

Those Owner Operators, who are based and domiciled at Vancouver by Company direction, who operate the Vancouver to Dawson Creek and return, commonly referred to as the Vancouver – Dawson Creek.

LESS

Cost per mile to be deducted

Licenses and Permits for each Provincial License Plate supplied

Fuel and Fuel Tax

Public Liability and Property Insurance carried by the Company and charged to Owner Operator

LESS

Except as in the body of the Agreement otherwise provided any and all variables such as but not restricted to Workmen's Compensation on driver employee, Health and Welfare Plans, Medicare Plans, wages, salaries, Statutory Holidays, vacations, fringe benefits, paid by the Company on behalf of the Owner Operator or necessitated by the operations of the Owner Operator will be charged back to the Owner Operator on a basis of those actual costs, plus ten (10%) percent for handling costs and deducted from the Owner Operator's month end statements and settlement.

AND LESS

For any and all fuel purchased at an outside station or pump other than the Company's own fuel pumps or Company's own bulk storage tanks and which by necessity the Owner Operator must charge to the Company for fuel tax reporting purposes, the Company shall charge the Owner Operator the stated rate of the seven cents per mile as shown above plus an additional ten cents per gallon for those gallons purchased, plus ten (10%) percent for handling costs and such charges will be deducted from the Owner Operator's month end statements and settlement

This voluntary increase as indicated to become effective July 1, 1971 to existing Owner Operator Contracts

C.F.L.
Rev. 11/1/71

SCHEDULE "B"

GROSS REMUNERATION PER MILE

SINGLE MAN OPERATIONS

Pursuant to Paragraph 2 (g)

SLEEPER OPERATIONS

Pursuant to Paragraph 2 (g)

Those Owner Operators, who are based at Vancouver by Company direction, who operate the Vancouver to Prince George and return, commonly referred to as the Vancouver – Prince George.

Those Owner Operators, who are based and domiciled at Vancouver by Company direction, who operate the Vancouver to Dawson Creek and return, commonly referred to as the Vancouver – Dawson Creek.

Those Owner Operators, who by direction of the Company provide and operate special four (4) wheel drive, single axle 120 inch wheel base doubles tractors, 350 H.P. Cummins Engines and RT915 Transmissions, regardless of domicile, but operate on routes as dispatched by the Company.

LESS

Cost Per Mile to be Deducted

Licenses and Permits for each Provincial License Plate supplied

Fuel and Fuel Tax

Public Liability and Property Insurance carried by the Company and charged to Owner Operator.

LESS

Except as in the body of the Agreement otherwise provided any and all variables such as but not restricted to Workmen's Compensation on driver employees, Health and Welfare Plans, Medicare Plans, wages, salaries, Statutory Holidays, vacations, fringe benefits, paid by the Company on behalf of the Owner Operator or necessitated by the operations of the Owner Operator will be charged back to the Owner Operator on a basis of those actual costs, plus ten (10%) percent for handling costs and deducted from the Owner Operator's month end statements and settlement.

AND LESS

For any and all fuel purchased at an outside station or pump other than the Company's own fuel pumps or Company's own bulk storage tanks and which by necessity the Owner Operator must charge to the Company for fuel tax reporting purposes, the Company shall charge the Owner Operator the stated rate of the seven cents per mile as shown above plus an additional ten cents per gallon for those gallons purchased, plus ten (10%) percent for handling costs and such charges will be deducted from the Owner Operator's month end statements and settlement.

C.F.L.
Rev. 1/1/72

SCHEDULE "B"

GROSS REMUNERATION PER MILE

SINGLE MAN OPERATIONS

Pursuant to Paragraph 2 (g)

SLEEPER OPERATIONS

Pursuant to Paragraph 2 (g)

Those Owner Operators, who by direction of the Company, provide and operate special four (4) wheel drive, 120 inch wheel base doubles tractors, 350 H.P. Cummins Engines and RT915 Transmissions, regardless of domicile, but operate on routes as they may be dispatched by the Company.

LESS

Cost Per Mile to be Deducted

Licenses and Permits for each Provincial License Plate supplied

Fuel and Fuel Tax

Public Liability and Property Insurance carried by the Company and charged to Owner Operator.

LESS

Except as in the body of the Agreement otherwise provided any and all variables such as but not restricted to Workmen's Compensation on driver employees, Health and Welfare Plans, Medicare Plans, wages, salaries, Statutory Holidays, vacations, fringe benefits, paid by the Company on behalf of the Owner Operator or necessitated by the operations of the Owner Operator will be charged back to the Owner Operator on a basis of those actual costs, plus ten (10%) percent for handling costs and deducted from the Owner Operator's month end statements and settlement.

For any and all fuel purchased at an outside station or pump other than the Company's fuel pumps or Company's own bulk storage tanks and which by necessity the Owner Operator must charge to the Company for fuel tax reporting purposes, the Company shall charge the Owner Operator the stated rate of the seven cents per mile as shown above plus an additional ten cents per gallon for those gallons purchased, plus ten (10%) percent for handling costs and such charges will be deducted from the Owner Operator's month end statements and settlement.

NOTE:

This Schedule "B", the rates and all other conditions therein, revised 1/1/72 and providing it is signed and date by Leonard W. Huyser, President and General Manager of Canadian Freightways Limited, shall become effective as of that date, superseding all previous Schedule "B" of those Agreements between Canadian Freightways Limited and Owner Operators that are in effect and until such time as the Agreement or any of it's attachments thereto may be revised by the Company.

Reasons for Judgment in Application for Decertification Affecting

Association des Employés de CJTR Radio Trois-Rivières Limitée **(Applicant)**

and

Le Syndicat des Journalistes de Montréal **(Respondent union)**

and

CJTR Radio Trois-Rivières Limitée **(Respondent employer)**

The Board consisted of A. H. Brown, Chairman, and E. R. Complin, J. A. D'Aoust, Jacques Guilbault, Gérard Picard, R. C. Smith, and W. T. Wilson, Members. The Judgment of the Board was delivered by the Chairman.

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1. On February 17, 1971, the Board made an order certifying Le Syndicat des Journalistes de Montréal as bargaining agent for a unit of employees of CJTR Radio Trois-Rivières Limitée, a radio station undertaking as described in the said order.
2. On December 22, 1971, the Board received a letter from Messrs. Chartier, Bergeron & Ménard, Avocats of Trois-Rivières, Qué., making application on behalf of their clients, an organization named the Association des Employés de CJTR Radio Trois-Rivières Limitée alleging that the aforesaid certified bargaining agent no longer represents the majority of employees of the said radio station undertaking in the bargaining unit for which Le Syndicat had been certified as bargaining agent by this Board. In this application the Association requests the Board to verify if Le Syndicat des Journalistes de Montréal still exists with respect to employees of the said radio station CJTR and if it still represents a majority of employees for whom it was certified; and further requests the Board to give its consent to the making of its said application for decertification at this time and to revoke the said order of certification of the aforesaid Syndicat as bargaining agent.
3. The Board takes note also that by letter dated December 16, 1971, Messrs. Crepault, Fortin, Raymond and Trahan, solicitors for CJTR Radio Trois-Rivières Limitée forwarded to the Board for its information a copy of a letter sent by them to Le Syndicat des Journalistes de Montréal dated December 9, 1971, stating inter alia, that their client had been served on November 17, 1971, with a notice to commence collective bargaining with the Syndicat with a view to the conclusion of a collective agreement and that their client namely CJTR Radio Trois-Rivières Limitée had advised them that it had been notified that a request for revocation of the certification had been filed with the Board and that under the circumstances it would now seem preferable to apply to the Canada Labour Relations Board for guidance as to whether or not the bargaining agent effectively represents a majority of employees for which it was certified. The letter further stated that when the Board had made a decision to either reject or grant the revocation its client will then be prepared so long as the Syndicat still represents the majority of the employees of CJTR, to comply with the Act and commence collective bargaining.
4. The Board has held in a number of decisions made by it contained in Reasons for Judgment issued by the Board, that in the exercise of the discretion and powers vested in the Board by the provisions of Part V of the Canada Labour Code, formerly the Industrial Relations and Disputes Investigation Act covering the matter of decertification, a bargaining agent certified by the Board should be accorded a reasonable time and opportunity to negotiate with the employer of the employees in the bargaining unit for which certified with a view to the conclusion of a collective agreement between them covering the said employees and that the Board will not act on an application for decertification of such bargaining agent unless satisfied that a reasonable period of time and a reasonable opportunity has been accorded to the bargaining agent to negotiate with the employer for this purpose and that the Board will reject the application for decertification where not so satisfied.
5. The Board notes that according to the content of the letter received by it from the solicitors for the company CJTR Radio Trois-Rivières Limitée Messrs. Crepault, Fortin, Raymond and Trahan dated December 11, 1971, the bargaining agent had served notice upon their clients, the employer of the employees in the certified bargaining unit on November 17, 1971, to commence bargaining with the said bargaining agent with a view to conclusion of a collective agreement covering the said employees and that the employer had in effect refused to bargain with the bargaining agent pursuant to this notice pending the disposition of the request for revocation of bargaining rights of which it had received notification. In the opinion of the Board this refusal of the employer to bargain with the bargaining agent for the conclusion of a collective agreement pending disposition of the request for revocation of bargaining rights constituted a failure on the part of the employer to discharge the responsibilities imposed upon it by the provisions of the Code and thereby served to frustrate and delay the lawful efforts of the bargaining agent to enter upon and continue negotiations with the employer to negotiate a collective agreement with it covering the employees in the bargaining unit.
6. The Board rejects the application for decertification accordingly for the reason that the bargaining agent has not been accorded a reasonable opportunity of negotiating with the employer for the conclusion of a collective agreement nor does the information furnished provide evidence that the bargaining agent has failed to exercise or has abandoned its rights as bargaining agent.
7. The Board further points out that the Applicant for decertification has not in support of its application for decertification provided adequate information to establish to the satisfaction of the Board as a prima facie case that the majority of employees of the employer in the certified bargaining unit have authorized the Applicant to make the application for decertification. The authorization to this effect should have been signed by each of the employees in the bargaining unit at the date of the application for decertification who comprise a majority of such employees at that date and such signatures duly verified under oath by the witness or witnesses to such signatures together with particulars of the nature of the employment of each such employee and place of work accompanied by a statement under oath of the total number of employees in the certified bargaining unit at that date to the best of the information and belief of the persons providing such information upon behalf of the Applicant. Beyond that the Board notes that the Applicant has furnished no information concerning the nature of the association or its origin. An application by a trade union organization for the revocation

of an order of certification of an existing bargaining agent will not be acted upon by the Board except as incidental to the granting of an application made by that Applicant trade union to be certified as bargaining agent for employees in the same bargaining unit.

8. The Board directs that a copy of this decision be sent to the employer of the employees in the bargaining unit to advise it of the Board decision and that a copy thereof be sent forward to the Minister of Labour for the information also of the Director of Conciliation Services for the Department of Labour.

(Sgd.) A.H. Brown,
Chairman for the Board

Ottawa, January 18, 1972.

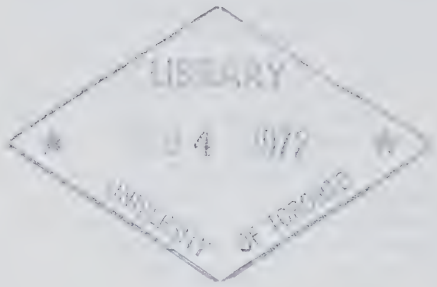
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CONCILIATION BOARD REPORTS
together with
CLRB REASONS FOR JUDGMENT

No. 2, 1972



Conciliation Board Reports in disputes between:

Voyageur (1969) Inc. and Transport Drivers, Warehousemen and Helpers Union, Local 106

Millar and Brown Ltd., Canadian Freightways Ltd. and Loiselle Transport Ltd. and International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers of America, Local Unions 31, 181, 362, 395 and 979

Canadian National Hotels Limited (Bessborough Hotel) and Canadian Brotherhood of Railway, Transport and General Workers

Canadian National Hotels Limited (Fort Garry Hotel) and Canadian Brotherhood of Railway, Transport and General Workers

Reasons for Judgment in Application for Certification affecting:

General Truck Drivers and Helpers Local Union No. 31 and General Teamsters Union Local 362, of the International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers of America and Loiselle Transport Limited

CANADA.DEPARTMENT OF LABOUR

Hon. Martin O'Connell, Minister

Bernard Wilson, Deputy Minister

Report of Board of Conciliation and Investigation established to deal with dispute between:

Voyageur (1969) Inc.

and

Transport Drivers, Warehousemen and Helpers Union, Local 106

The Board was under the Chairmanship of Roland Tremblay of St. Jean, Québec, appointed by the Minister of Labour on the joint recommendation of the other members of the Board, Paul Jolin and Bernard Boulanger, both of Montreal, who were previously appointed on the nomination of the company and union, respectively. The report was received by the Minister during February.

After swearing the oath of office as provided under section 136 of the Code, the members of the Board held five (5) meetings with the parties, on December 10 and 21, 1971, and on January 6, 18, and 21, 1972. All these meetings took place in Montreal.

Evidence adduced before the Board by the parties consisted of documents drawn up at various stages as memoranda of agreement between the parties while negotiating a collective agreement. These documents were produced in the following order:

1. Document A, Memorandum of Agreement, drawn up in August, 1971;
2. Document B, final Union counter-proposal to conciliation officer, dated September 8, 1971;
3. Document C, draft collective agreement prepared by the Union and submitted in early November, 1971;
4. Document U-1, draft collective agreement submitted December 29, 1971;
5. Document U-2, concerning distribution of work to spare employees, proposed December 29, 1971;
6. Document U-3, concerning working hours, and including both a Company offer and Union demand.

The representations made to the Board indicate that the parties did negotiate seriously and extensively over a period of eight (8) months, and at certain points produced memoranda of agreement signed by all members of the bargaining committee but rejected on submission to the Union membership.

OBSERVATIONS

General:

Before examining the statements on the facts, the Board wishes to make certain observations.

The atmosphere which prevailed during the various meetings between the parties was consistently relaxed and friendly, although the Board eventually realized that the present dispute would seem to be less a dispute between the Union and the Company than a dispute within the Union itself.

Specifically, the Board noted:

1. That the Union representative may not have had the freedom of action which he should normally have had as the authorized representative of a Union at a bargaining table and before the Conciliation Board:

   a) His attitude and remarks were particularly revealing; for instance, he repeatedly urged the Board to "make its report," as if he expected this report to meet the demands he had supported before the Board.

   b) And the relatively numerous memoranda of agreement prepared and accepted by the representatives of both parties, but subsequently rejected by the Union membership.

2. There are perhaps two (2) or even three (3) different lobbies within the union, exercising pressure in opposite directions, a readily understandable situation in view of the Company's expansion and acquisition of other transportation services and their integration with the original employees.

   In addition, even among the employees, there already is a distinction between regular and spare drivers.

   The Board feels that there is one pressure group composed of Montreal-based, spare drivers, another composed of spare drivers based at other points, a third composed of regular drivers, and perhaps even a fourth composed of employees of the recently-acquired services, whose seniority is recognized only from the date on which their service was acquired.

   All these employees have been grouped within the same bargaining unit and some forced to change their union allegiance, with the possible result of tension between the various members, perhaps some playing off of one group against the other, and, lastly, divisions or differences of opinion on the concept and orientation to be assigned to the present negotiations.

   Again, this is evident from an examination of the vote rejecting a statement of agreement previously accepted by the union bargaining committee.

   The Board learned that the meeting at which this vote was taken was attended almost exclusively by Montreal-area, spare employees.

   In other words, the opinion of the regular drivers is not known, and it is unclear how they would have voted on this memorandum of agreement.

3. **Return to the bargaining table:**

   The Board wishes to mention the fact that, after a few meetings in which it appeared that the Company was attempting to meet Union demands, the Union representative stated that none of the Company's concessions or offers were acceptable.

   What the Union wanted were the demands set forth in the original working paper drawn up June 5, 1971, i.e. document A.

   The Board was somewhat surprised by this position on the part of the Union. It had examined the Union's most recent demands and observed that the Company was attempting to meet them; despite this effort, the Union found the proposals unacceptable and decided to return to its original demands.

   Confronted with this position, the Board had no idea whether the Company was prepared to accept the Union's original demands or if it preferred to stand by its latest offer, but it did seem desirable that the parties should meet again, and they were asked to return to the bargaining table.

   At this point, the parties signed the following agreement to return to the bargaining table:

   "Agreement between the Voyageur Company (1969) and the Union of Transport Drivers, Local 106, this

21st day of December, 1971, in Montreal, for the reopening of negotiations:

1) The parties find that they are dealing with new demands on which there has been no negotiation.
2) The parties agree to reopen negotiations on the document dated June 5, 1971.
3) The representatives of the parties shall be duly accredited by them.
4) The parties shall reappear before the Conciliation Board on January 6, 1972, at 10:30 a.m., at the Hotel Martinique.

(signed) by Mr. Pitre, for the Voyageur Company, and by Mr. Malboeuf, for the Union, in the presence of three Board members as witnesses."

The parties did in fact meet and reopen negotiations, even preparing a new draft agreement, i.e., document U-1, dated December 29, 1971.

4. Some of the demands included in the Union proposals appear to have been drawn up for the exclusive benefit of a few employees:

   a) One demand included in the proposals concerned trips by the Colonial Coach Line Company, which is not a party to the present negotiations and thus not relevant.

   b) The same is true of the demand for a single home port or headquarters, which would allow Montreal-based, spare employees to do jobs anywhere and any time, at the expense of spare drivers based in locations outside Montreal, where such trips may also originate.

   c) In addition, the demand for a basic, daily wage rather than a daily guarantee would allow spare drivers with long seniority to sit around all day without making a single trip, and still be paid the basic wage, whereas the proposed system of a daily guarantee plus a higher mileage rate ensures a higher income to those who wish to work, and when a person is a bus driver, his job is driving a bus. The more a bus driver drives, the more mileage he makes and the more he will be paid. This is an incentive to work.
   The other system of a basic wage would act almost as an incentive to inactivity and encourage the employee to do nothing, allowing him to use his greater seniority to pass work on to younger employees.
   These peculiar demands lead the Board to believe that some employees were attempting to use negotiation of this agreement to promote their own private interests at the expense of the common good of all employees. This principle is contrary to order and reason: it is obvious that the common good must take priority over the individual good.

5. The Company's employees are scattered across the province and may not all have been able to vote on the earlier memoranda of agreement. They should, in fairness, be allowed to make their views known, and for this reason the Board intends to suggest, as one of its recommendations, that the recommendations included in the present report be submitted by mail to all members of the Union, so that each one may have the opportunity to study the report and its recommendations, and to vote by secret ballot to accept or reject them.

Observations

Present Conditions:

At the first meetings, the Union representative informed the Board that the general lines of the agreement had been settled and that only the financial clauses concerning wages and retroactivity were in dispute.

The Company replied that this was true but with certain reservations. It confirmed that the general principles of the agreement had been settled, that a memorandum of agreement had been approved by the bargaining committee, but pointed out that there had been no collective agreement, and that in this field of industry, i.e., transportation, everything is subject to seniority; for instance, distribution of work and rates of pay are dependent on seniority.

As far as the Company was concerned, it had offered a package, and if the financial clauses were not accepted, there would have to be a general review of all matters having financial implications: without the financial provisions, none of the terms could be considered final.

Voyageur (1969) had three (3) certifications and three (3) collective agreements, one each for Voyageur Provincial, Voyageur Quebec (Lemelin, Saguenay, and central Quebec), and Carrier et Frères.

All these certifications have been combined in one, now covering three hundred (300) employees, including two hundred (200) regular employees and one hundred (100) spare employees, described as follows:

Regular employees have regular routes to which they are assigned for a certain period of time.

Spare employees are assigned to replace regular employees who are ill or on vacation, when extra vehicles are needed on a regular route, and for charter trips.

In this report, the Board will deal, as far as possible, with the questions discussed in the following order:

1. Seniority;
2. Hours of work and assignments;
3. Overtime;
4. Wages and rates of pay;
5. Weekend leave;
6. Retroactivity;
7. Fringe benefits;
8. Term of agreement.

The parties have not indicated their current positions on all the matters listed above, but the Board has made certain observations on the following topics:

1. Seniority:

We are informed that the present seniority system is a source of some confusion, that there are seven (7) seniority lists, and that both parties want to change the system.
Seniority is recognized by the Company as a right of all its employees. It is true that this is a sacred right which must be protected, but employees must realize that rights are always accompanied by obligations, and that the seniority rights of one employee must not infringe upon those of another.
Why then do Montreal-based, spare employees wish to infringe upon the seniority rights of spare employees based at distant ports or at ports of services acquired by the Company?
In this respect, the members have taken a great step forward and are to be commended for agreeing to respect the seniority of employees of the acquired services in the areas covered by these services.

2. Hours of Work, Standby at the Depot, Overtime, Weekend Leave, Assignments and Rates of Pay:

a) Regularly-assigned employees are currently guaranteed a weekly wage of one hundred and twenty dollars ($120.00) for a maximum assignment of twelve and one half ($12^1/_2$) hours a day, and overtime after fifty (50) hours at the rate of two dollars and thirty-two cents ($2.32) an hour.

Wages are calculated on the basis of a daily rate of fifteen dollars and fifty cents ($15.50) plus seven cents ($0.07) a mile.
They work five (5) days and have two (2) days off, with one third ($^1/_3$) having time off on weekends.
They draw up their own weekly schedules.

b) Spare employees are guaranteed two hundred and forty dollars ($240.00) for two weeks' work; they are required to be available for a minimum of ten (10) hours a day, with no maximum number of hours.
They receive overtime after one hundred (100) hours of work, at two dollars and thirty-two cents ($2.32) an hour.
They receive a basic wage of fifteen dollars ($15.00) a day plus mileage at seven cents ($0.07) a mile.
They work for ten (10) days and have four (4) days off. They receive no time off on weekends.
The net result is that only one quarter ($^1/_4$) of all regularly-assigned employees have every weekend off.
The Board was struck by another extremely important point, i.e., preparation of assignments according to the weekly schedule.
Normally, employees would be assigned to a given route by management, but for quite some time now the Company has allowed its employees to exercise this management right, and they prepare their own assignments. Regular drivers choose their own assignments every six (6) months. They also choose their place of residence for a period of three (3) years, except those based in Montreal, who make the choice annually. Spare employees are allowed to accept or reject charter trips and all replacements in order of seniority.
Evidently, the Board has no intention of interfering in this arrangement: it has too much respect for vested rights. These rights of the employees cannot be withdrawn unless the employees themselves waive them, but the Board did want to mention the point nonetheless since it is such a major exception to the general rule.

3. Fringe Benefits:

a) **Life insurance and pension plan:** The amount of life insurance currently in effect is ten thousand dollars ($10,000.00); an employer-administered pension plan is also in operation.

b) **Statutory holidays:** The parties are presently in agreement on ten (10) statutory holidays.

c) **Meals and accommodations:** The Company presently pays four dollars and fifty cents ($4.50) for hotel rooms without receipts, but does not pay for meals as well.

4. Term of Agreement:

The parties agree that the agreement to be signed shall expire on December 31, 1973.

Position of the Parties

Union Demands:

1. Seniority:

The Union demands that the general seniority of employees of the former Voyageur Company be respected and maintained, and that the seniority of employees of the other services acquired by the Voyageur Company be calculated from the date on which these services were acquired.
There is, however, one exception as regards protection of the home port.
Seniority needs no definition, but home port does: it is the place of residence chosen by an employee and considered by the Company as a distribution centre.
Thus, regular employees may choose their home port every three (3) years. The distribution of work between spare employees at the different home ports has been described in document U-2 as follows:

"Distribution of Work to Spares, as Submitted December 29, 1971

.01 Spares employed in the various home ports and headquarters carry out, i.e., they have both priority and responsibility for, the work of their home port in cases of:

a) Vacation replacement;

b) Replacement of absentees (till come back);

c) Replacement on unbooked weekly schedules (till booked);

d) Charters exceeding twenty-four (24) hours.

Outside Their Home Port:

.02a) Spares based at Montreal or Quebec, when they are outside their home port, are ranked:

1. In rotation for return to their home port, without consideration of seniority;

2. In order of seniority with spares at that port for any jobs of under twenty-four (24) hours, without endangering their position in rotation for return to their own home port.

b) Spares based at Montreal or Quebec, when they are at a port other than Montreal or Quebec, are ranked:

1. In rotation for return to their home port, without consideration of seniority;

2. In order of seniority for any work to points other than their home port if no spare from that port is available, without endangering their position in rotation for return to their own home port.

c) When spares from ports other than Montreal or Quebec are outside their home port, they are ranked:

1. In rotation for return to their home port, without consideration of seniority;

2. In order of seniority for any work to points other than their home port if no spare from that port is available, without endangering their position in rotation for return to their own home port.

.03 However, when two (2) or more employees leave a point of departure on the same scheduled trip, they form a rotation group and exercise their seniority rights within this rotation group for return to their home port.

.04 If a spare outside his home port has had no work for thirty-six (36) hours, he may return to his home port as a passenger (D.H.O.C.) on the next departure, following two (2) hours' notice to the despatcher."

2. Hours of Work and Overtime:

As regards hours of work, the Union demands no more than seven (7) hours of driving for every nine (9) hours on duty or

every three hundred (300) miles, with a maximum, however, of ten (10) hours and overtime at two dollars and fifty cents ($2.50) an hour for that hour of overtime.

Since the Company position, as we shall see, is somewhat different, the Union has informed the Board that it would be prepared to accept a maximum of twelve (12) hours a day on duty, provided that overtime is increased to three dollars ($3.00) an hour, to be paid as a premium rather than overtime.

The Union has given the Board no explanation for preferring payment in premium form, but the Board has learned that the Company has no objection to either form of payment for overtime.

It is agreed that an employee is on duty for one half hour ($^1/_2$) before departure and for fifteen (15) minutes after arrival.

3. **Wages and Methods of Payment:**

At the first meeting, the Union stated that it wanted a mileage rate of fifteen cents ($0.15) a mile to August 31, 1972, sixteen cents ($0.16) a mile from September 1, 1972, to May 31, 1973, and seventeen cents ($0.17) a mile from June 1, 1973 to December 31, 1973, plus a daily guarantee for regularly-assigned employees of twenty-seven dollars ($27.00) to September 1, 1972, and twenty-eight dollars ($28.00) from September 1, 1972, to December 31, 1973.

For spares, the Union is demanding a daily guarantee of twenty-four ($24.00) to September 1, 1972, twenty-five dollars ($25.00) a day from September 1, 1972, to May 31, 1973, and twenty-six dollars ($26.00) from June 1, 1973, to December 31, 1973.

4. **Weekend Leave:**

The Union wants the weekend leave system changed to allow every employee an occasional weekend off.

5. **Retroactivity:**

The Union is demanding a lump sum payment of eight hundred dollars ($800.00).

6. **Fringe Benefits:**

a) **Vacations:** Document U-1, section 46, deals with the Union's demands as regards vacations, which the Company is prepared to accept with two (2) changes.

The Union demands six weeks' vacation for employees with thirty (30) years of service.

b) **Meals and accommodations:** The Union demands that the Company pay employees required to spend the night away from home the sum of six dollars ($6.00) for accommodations and two dollars ($2.00) for meals to August 31, 1972, or three dollars ($3.00) for meals from September 1, 1972, to December 31, 1973.

c) **Parcels:** The Union demands fifteen cents ($0.15) per parcel beginning September 1, 1972.

d) **Life insurance:** The Union originally demanded that the life insurance policy be raised to twenty-five thousand dollars ($25,000.00), but later reduced this to fifteen thousand dollars ($15,000.00).

The Board, however, was given no explanation to justify either amount.

e) **Pension plan:** It is noted that the Union wants administration of the pension plan withdrawn from the Company and transferred to the Union or to a third party, but no explanation has been given for such a change, nor have we been informed of any possible advantages or disadvantages, gains or losses to the employees, which such a change might bring about.

f) **Job security:** The Union demands (section 25.07, document U-1) that all employees hired prior to December 31, 1969, be granted job security.

g) **Operators' licences:** The Union raised the objection that some drivers had occasional difficulties involving their operators' licences. These licences are issued by the Department of Transport and are classified A-1.

Position of the Parties

Company Offers:

1. **Seniority:**

The Company notes that there has been a major change in this respect, and one of very great importance. The present seniority system is a source of some confusion. There are seven (7) seniority lists. The Company now says that it accepts the Union's proposals. It also accepts section 25.01 regarding layoffs and recalls, considering this a concession.

As regards the distribution of work, the Company is prepared to accept the proposed seniority system and also the guaranteed daily, rather than biweekly wage.

It is also prepared to work out a system for weekend leave, which is currently available for perhaps only fifty (50) regular drivers and never for spares.

The Company is also prepared to work out a system to reduce working hours.

Before it can offer this daily guarantee and reduction in working hours, the Company claims that the weekly schedule system will have to be changed, but it is prepared to work out a solution and do so. The major change, then, involves the daily guarantee, which the Company accepts; however, it cannot accept a four (4) day work week, but insists that the five (5) day week be retained.

The Company points out, in this connection, that the employee himself chooses his place of residence every three (3) years. Moreover, the 4-2 formula would mean that senior employees would lose their weekends off; however, the daily guarantee for spare employees is spelled out more specifically in the Company's offer than at present.

The spares have distribution centres and the Company has agreed never to leave more than one third as many spares in a distribution centre as there are regularly-assigned employees.

The distribution centres are known in the trade as "home ports." This means that some twenty spares could be based at the home ports, but the number would be affected to some extent by seniority.

The seniority lists protect the employees' right to remain on their preferred routes.

The Company has also informed the Board that it has agreed never to leave more than one third as many spare employees as regularly-assigned employees in the home ports.

2. **Hours of Work, Overtime, and Contract Work:**

The Company wants to reduce working hours to ten (10) a day plus two dollars and fifty cents ($2.50) for each hour of overtime after ten (10) hours, i.e., an increase of sixteen thousand, two hundred (16,200) hours, or the equivalent of approximately forty thousand dollars ($40,000.00).

A reduction to nine (9) hours a day would mean the equivalent of thirty-five thousand (35,000) working hours.

The Company has also made an alternative offer:

a) With a daily guarantee, it offers standby time at the depot of ten (10) hours a day to a maximum of twelve (12) hours, with overtime after (10) hours.

b) With a weekly guarantee, the standby at the depot would be forty-five (45) hours over five (5) days, to a maximum of twelve (12) hours a day, with overtime after forty-five hours. The Company has informed the Board that if it reduces standby time at the depot to ten (10) hours a day, sixteen thousand, two hundred (16,200) hours will be affected in the course of a year, whereas at nine (9) hours a day, a total of thirty-five thousand (35,000) a year will be affected.
At this point the Company representatives informed the Board that if the Union withdrew the rule prohibiting additional assignments to regular employees with routes exceeding seventy-five (75) miles, the Company would be in a position to grant the maximum of ten (10) hours a day, but to do so, the prohibition contained in section 28 would have to be withdrawn.
This concession would also allow the Company to grant a daily guarantee.
As regards contract work, the Company observes that peak periods occur over busy weekends, for example, or during special events. The Company must then rent equipment and, with it, drivers. This could reduce the number of its own employees on the job; however, the Company plans to use a Company employee on the rented bus at the same time, acting as pilot.

3. Wages, Rates of Pay and Weekend Leave:

The Company proposal for regularly-assigned employees is as follows: a guaranteed daily wage of twenty-seven dollars ($27.00), maximum twelve (12) hours, overtime after ten (10) hours, at the rate of two dollars and fifty cents ($2.50) an hour. Mileage rate fifteen cents ($0.15) a mile. When an employee is driving, he is not paid for overtime but received a 50% higher mileage rate, i.e., twenty-two and one-half cents (0.22^1/_2$) a mile.
One third of the employees would have weekends off, and once again, regularly-assigned employees would draw up their own weekly schedules.
Spare employees would be guaranteed a daily wage of twenty-three dollars ($23.00), and standby time at the depot of ten (10) hours, with overtime after ten (10) hours at the rate of two dollars and fifty cents ($2.50) an hour.
They would be paid mileage at fifteen cents ($0.15) a mile or twenty-two and one-half cents (0.22^1/_2$) after their regular assignment.
One quarter of the spare employees would have weekends off during the period from September 15 to June 15.
This Company proposal is conditional on the Company's being allowed to call in temporary spares for weekend work; they would be guaranteed three (3) days of work a week, but always on weekends.
The Company points out that fifteen cents ($0.15) a mile represents an increase of approximately 21.6% over the general weekly schedule.
For Carrier employees, however, these terms represent a wage increase of approximately 54.4%; for employees of Voyageur Provincial, an increase of approximately 17.7%; and for employees of Voyageur Quebec, an increase of approximately 21.4%, with the increase from fifteen ($0.15) to sixteen cents ($0.16) a mile in the second year representing a further increase of approximately 8.1%.

4. Retroactivity:

The Company claims that it has offered a total of six hundred dollars ($600.00), representing 7.3% of wages, for the 1971 period.
Since 1971 ended several months ago, the Company has reformulated its proposal, and is offering 7.5% of each employee's T-4 form for 1971, to those employees, of course, who are or will still be employed by the Company at the time the agreement is signed.

5. Fringe Benefits:

a) **Vacations:** As regards vacations the parties are also very close to agreement along the lines of section 46, document U-1, with a single difference between them as regards section 46.06, concerning vacations after thirty (30) years of service. The Company insists that an additional condition be included, to the effect that the employee must be sixty (60) years of age; as regards section 46.19, the parties agree to change U-1 to read that the regular weekly pay shall be the average of the last four pay cheques preceding the vacation.

b) **Meals and accommodations:** The employer and the Union are one dollar ($1.00) apart on the price of accommodations, the Union demanding six dollars ($6.00) and the Company offering five ($5.00), and fifty cents ($0.50) apart on meals, the Company offering one dollar and fifty cents ($1.50), and the Union demanding two dollars ($2.00). The Board will make a recommendation at the conclusion of this report.

c) **Parcels:** The Company refuses to pay more than ten cents ($0.10) per parcel for the duration of the agreement.

d) **Life insurance:** The Company has offered to increase life insurance to twelve thousand dollars ($12,000.00) with double indemnity.
As regards wage benefits, it is offering 80% of wages from the first day in the case of an accident and after the fourth day in that of an illness, to continue for a period of twenty-six (26) weeks, and 50% of wages until retirement if the benefits are to be further extended.
In this case, the total premium is paid by the employer.
As for occupational injury, the employee receives 100%.

e) **Pension plan:** The parties are far apart on this matter.
The Company refuses to comply with the demand and suggests instead that the financial and even social implications of such a change to the pension fund be examined and suggests that a committee be formed to that end.
At one point, the Union representative agreed to the formation of such a committee to study this question, pointing out, however, to the Board that a similar committee had been formed under an earlier agreement, with no success.

f) **Job security:** As regards job security, the representatives of the parties have agreed on the wording of section 25.07, document U-1, which reads as follows:

> "The Company agrees to grant job security to all employees hired by the Company prior to December 31, 1967, for the term of this agreement, provided that no event beyond the employer's control arises which might require the laying off of some of its employees.
> In such an event, the Union and the Company agree to meet to discuss the situation and to find a solution to the problem."

g) **Operators' licences:** The Company is aware of the very real problem caused by this question of operators' licences, but

suggests that a committee be set up to study the matter, such a committee having been accepted in principle by the members of the bargaining committee.

Final Observation

The representatives of the Company have attempted to meet and satisfy the Union's demands from the outset of bargaining. When its proposals were subsequently rejected, the Company made efforts to meet the Union's new demands. The Union representatives themselves seem to accept the Company's proposals as reasonable, while a minority of the union members rejected the decisions and views of their own representatives. In fact, on several occasions the Union representative repeatedly urged the Board to "make its report," as if he expected this report to meet the demands he had supported before the Board.

The Board is forced to point out that the Company has none the less made concessions to Union demands, in agreeing to job security, recognized seniority, a daily guarantee, weekend leave, and a reduction in working hours.

Recommendations

1. **Seniority:**

Section 24 of document U-1, December 29, 1971, shall be included in the collective agreement. These sections recognize the general seniority of the employees of the former Voyageur Company, and respect seniority in the employer's acquired companies from the date of acquisition, with one exception as given in document U-2. . . regarding recognition of the spares' seniority in their own home ports. Section 24.06 subsection 3 of document U-1, December 29, 1971, must however be amended to read as follows:

"3. Suspension of the operator's licence for a period of two years or more."

2. **Hours of Work:**

The Union must withdraw its rule prohibiting regular drivers from doing an additional regular route when their own exceeds seventy-five (75) miles.
Withdrawal of this prohibition will allow the Company to provide the daily guarantee, and to reduce working hours and standby time at the depot.
Regular drivers shall be on standby time at the depot for ten (10) hours a day, with a maximum of twelve (12) hours.
Spare drivers shall also be on standby time at the depot for ten (10) hours, but with no maximum number of hours.

3. **Weekend Leave:**

As regards weekend leave, the Union must agree to allow the Company to call in its temporary spare employees every weekend, so that the Company may grant its regular and spare employees weekend leave.
Regular employees shall have one weekend in three (3) off, in order of seniority, between September 15 and June 15.
Spare drivers shall have one weekend in four (4) off, in rotation.

4. **Wages and Methods of Payment:**

a) **Mileage rate:** Wages and payments to all employees shall be calculated on a mileage basis. For the first year, i.e., from January 1, 1972, to December 31, 1972, drivers will receive fifteen cents ($0.15) a mile, and sixteen cents ($0.16) a mile from January 1, 1973 to December 31, 1973.

b) **Daily guarantee:** Drivers shall be guaranteed a daily wage, however, in the event their actual mileage does not provide a minimum level of payment.
Regularly-employed drivers shall be guaranteed a daily wage of twenty-seven dollars ($27.00) for the first year of the agreement, i.e., from January 1, 1972, to December 31, 1972, and twenty-eight dollars ($28.00) for the second year of the agreement, i.e., from January 1, 1973, to December 31, 1973.
Spare drivers shall be guaranteed a daily wage of twenty-three dollars ($23.00) for the duration of the collective agreement.

c) **New employees:** New employees of the Company shall receive two cents ($0.02) a mile less during the first year of employment, and one cent ($0.01) a mile less during the second year of employment.

d) **Overtime pay:** Overtime shall also be paid on a mileage basis for the regular driver, overtime on holidays and after his assignment; for spares, after ten (10) hours on duty.
When an employee drives after his standby time at the depot, he shall be paid on a mileage basis, but at a fifty per cent higher rate, i.e., twenty-two and one-half cents (0.22^{1}/_{2}$) a mile after ten (10) hours. If the employee is not driving, overtime spent waiting shall be paid in the form of a premium of three dollars ($3.00) an hour.

5. **Retroactivity:**

The Company shall pay to all those still in its employ, at the time the collective agreement is signed, a retroactive payment representing 7.5% of the employee's 1971 T-4 form.

6. **Fringe Benefits:**

a) **Vacations:** As regards vacations, the Board recommends application of section 46 of proposal U-1, December 29, 1971, with the following amendments.
The amendments affect section 46.06, giving six (6) weeks' vacation to employees at age sixty (60), provided they have thirty (30) years' service.

b) **Life insurance and pension plan:** The Board recommends that the insurance coverage be increased to thirteen thousand dollars ($13,000.00).
As regards the pension plan, the Board recommends that a study committee be set up, consisting of three (3) Company-appointed members and three (3) Union-appointed members.
This committee shall meet every two (2) weeks to study the operation, capitalization and administration of the present system, possible solutions and improvements to the present system, the possibility of transferring this pension fund from Company to Union or independent company administration, the operation, administration and capitalization which such a change would effect, the consequences of such a change and its advantages or disadvantages over the present system, either in its present form or with certain improvements.
This committee shall hold its first meeting no later than May 1, 1972, and be prepared to submit a report in two (2) copies, one each for the Company and Union, no later than October 1, 1973.
Following ratification by the Company and the Union, a final version of this report shall be drawn up during the

month of November, 1973, for incorporation with the collective agreement, negotiations on which will begin prior to December 31, 1973.

c) **Job security:** As regards job security the Board recommends that section 25.07 of proposal U-1, December 29, 1971, read as follows:

"The Company agrees to grant job security to all employees hired by the Company prior to December 31, 1967, for the duration of this agreement, provided that no event beyond the employer's control arises which might require the laying off of some of its employees.

In such an event, the Union and the Company agree to meet to discuss the situation and to find a solution to the problem."

d) **Meals and accommodations:** As regards the cost of accommodations, the Board recommends that a sum of six dollars ($6.00) be paid without receipts to employees required to spend the night away from home, and that such employees be reimbursed for the full amount paid on presentation of receipts, in cases where the Company has no agreement with a local hotel.
As regards meals, the Board feels that, in addition to accommodations, the employee is entitled to the sum of one dollar and fifty cents ($1.50) for the first year of the agreement, i.e., from January 1, 1972, to December 31, 1972, and to two dollars ($2.00) for the second year of the agreement.

e) **Operators' licences:** As regards operators' licences for certain bus drivers, the Board recommends that a committee composed of three (3) Company representatives and three (3) Union representatives be set up to study the matter and to suggest solutions, following the same operating procedure as the committee recommended to study the pension plan.

f) **Term of agreement:** The agreement to be signed by the parties shall expire on December 31, 1973.

7. **Secret Vote by Membership on this Report:**

This report, or a summary of it, including the recommendations, shall be mailed to all Company employees at their home address, along with a ballot for the secret expression of the employee's personal opinion, for or against acceptance of the recommendations contained in this report.
These ballots shall be returned to an official of the Department of Labour and counted in the presence of Company and Union representatives.
Some other voting system may be employed, provided that it guarantees secret balloting and an impartial count.

(Sgd.) Paul Jolin,
Company Nominee

Bernard Boulanger,
Union Nominee

Roland Tremblay,
Chairman

Report of Board of Conciliation and Investigation established to deal with dispute between:

Millar and Brown Ltd., Cranbrook, B.C.,

Canadian Freightways Ltd., Calgary, Alberta,

and

Loiselle Transport Ltd., Vancouver, B.C.

and

International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers of America, Local Unions 31, 181, 362, 395 and 979

The Board was under the Chairmanship of Professor Stephen G. Peitchinis of the University of Calgary, appointed by the Minister of Labour on the joint recommendation of the other members of the Board, Neil V. German of Calgary, nominee for the employers and Joseph Whiteford of Vancouver, nominee for the local unions. Each member of the Board contributed separately to the report which was received by the Minister during March.

The Board of Conciliation met with the parties in Calgary at 10 a.m. on February 29, 1972. At the outset, both parties indicated a desire to co-operate with the Board, and to make every effort to reach agreement on as many of the issues outstanding as possible. In the course of the first day's proceedings it became evident that the parties would be willing to meet without the Board, and such a meeting took place the following day, March 1, 1972. During the third day of the Board's proceedings the parties asked again for one-half day to meet without the Board, and such a meeting was held on the afternoon of March 3, 1972. In summary, the Board met with the parties from 9 a.m. to 6 p.m. on February 29, from 9 a.m. to 2:30 p.m. on March 2, from 9 a.m. to 9:30 p.m. on March 3, and from 11:00 a.m. to 5:30 p.m. on March 4. The Board met without the parties from 9-10 a.m. February 29, and from 9:30 a.m. to 9:30 p.m. on March 5.

In the course of the proceedings the parties reached agreement on seven of the 23 issues in dispute. The Board was particularly pleased that the parties resolved the highly complex issues relating to conditions of employment for owner-operators employed by the companies. The Board regrets to report that on most of the other issues outstanding and, particularly on those which the parties

regarded fundamental to the conclusion of an agreement, the gap appeared to be too wide to bridge through continuous discussions. Hence, the burden was cast on the Board to formulate solutions which are just, equitable and hopefully acceptable to both parties.

Issues Outstanding and Recommendations of the Board

1. Article No. 2 — Union Security

Section A (4)

The existing provision states that:

"The Union undertakes that no terms which are more advantageous than those contained herein will be extended to or agreed with any competitor of the Company, without first notifying the Company of such terms."

The unions wished to remove that part of the clause which states "without first notifying the Company of such terms," whereas the Companies wished to replace the same part of the clause with the statement "without extending the same terms to the Company." In the course of the discussion it became evident that the unions found the provision unduly restrictive upon their efforts to organize unorganized employees, whereas the companies wished to ensure that they were not placed at a competitive disadvantage through more favourable agreements with actual or potential competitors.

The Board recommends the following provision:

"The Union undertakes to notify the Company in writing of any agreements with competitors of the Company which provide for more advantageous terms than those contained in this agreement. The Union also undertakes to provide the Company with a copy of such agreements immediately after they are signed."

2. Article No. 2

Section C (4) — New Employees and Check-off

The Unions asked for the following provision:

"Hiring Hall Provisions — When additional employees are required, either regular or part-time, the Company shall give the Union first opportunity to supply Union members for employment. If an employee is hired by the Company, he is required to be registered with the Union before commencing work. If the employee has not cleared through the Union, the Union shall have the right to request the Company to remove such employee from the job forthwith and the Company shall comply with such request; and all such employees shall be added to the check-off forthwith."

Although initially the companies appeared to reject the request outright, their attitude became relatively more flexible in the course of our discussions. Therefore, the Board recommends the following provision:

"When an additional employee is required within an area which is serviced by a permanently established and operating Union Hiring Hall the Company will extend to the Union Hiring Hall one opportunity to refer a suitable Teamster member for employment.

When additional employees are required within an area which is not serviced by a permanently established and operating Union Hiring Hall, the Company will extend hiring consideration to Union members who meet the Company's requirements and who apply for employment or have been referred to the Company."

3. Article No. 7

Section O — Funeral Leave

The issue concerns the recognition of mother-in-law and father-in-law as members of the employee's "immediate family" for the purpose of funeral leave. The companies argued that the concept of the family is extremely elastic and expressed apprehension that it may be stretched to include all kinds of distant relatives.

The Board recommends that mother-in-law and father-in-law be considered as members of the employee's immediate family for the purposes of this section. However, while recognizing the desirability of extending the concept of "immediate family" to include the above, the Board is of the opinion that it would be most undesirable if the Union were to attempt to extend the concept further.

In the course of the discussions passing reference was made to the absence of specific provision in the section for step-father and step-mother. The Board wishes to record the opinion that step-father and step-mother should be regarded as members of the immediate family for the purposes of this section.

4. Article No. 7

Section P — Jury Duty and Witness

The Unions asked for the addition of payment for an employee who attends court in response to a subpoena to give evidence as a witness concerning matters occurring during the regular course of his employment with the Company. The Companies offered to provide for payment in those cases only where the employee appears as a witness in a court action resulting from an incident which directly involved the employee and the Company during the employee's regular work day.

The Board recommends that there be inserted in Section P a provision for the employee who is required to appear in court as a witness, in a case involving the employee and/or the Company, on matters arising out of or related to the employee's regular work function for and on behalf of the Company.

5. Article No. 8 — Vacations

The Board recommends the following vacation with pay schedule:

Two (2) weeks after One (1) Year Service, with 4% pay;

Three (3) weeks after Four (4) Years Service, with 6% pay;

Four (4) weeks after Eleven (11) Years Service (in 1972), with 8% pay;

Four (4) weeks after Ten (10) Years Service (in 1973), with 8% pay;

Five (5) weeks after Twenty (20) Years Service with 10% pay.

6. Article No. 9 — Statutory Holidays

Section A (3,a.)

The relevant clause provides that:

"An employee shall not be entitled to receive pay for any Statutory or Civic Holiday where such holiday falls while

the employee is on expressed leave of absence for any reason whatsoever or due to sickness or compensation in excess of thirteen (13) weeks."

The Unions asked that the period be extended from Thirteen (13) weeks to Twenty-Six (26) weeks.

The Board is of the opinion that the Unions did not present a justifiable basis for the requested extension. It is recommended, therefore, that the period remain at the existing duration of Thirteen (13) weeks.[1]

7. **Article No. 10**

Section C — Work Time

The existing definition of "work time" is that it "shall include but not be limited to loading, unloading, repair of equipment, chaining and unchaining, time spent on ferries and boats and when drivers are required to stay with the equipment. Fueling, hooking-up and unhooking, will not be included as work time at points of origin and/or destination."

The Unions asked for an extension of the definition of "work time" to include fueling, hooking and unhooking. Had these activities not been specifically excluded from the definition, a case could have been made for their inclusion.

However, their specific exclusion from the term "work time" conveys the impression that compensatory arrangements were made for those activities at the time when the agreement was reached to exclude them. The Board did not receive a satisfactory explanation regarding the considerations that entered into the decision to exclude them in the past, and regarding the nature of changes that have taken place since that time to warrant their inclusion in the definition. Therefore, the Board recommends that the relevant section not be altered.[2]

8. **Article No. 10**

Section F(1) — Layover

The relevant section provides that drivers who are required or find it necessary to layover away from their home terminals will not be paid for the first fourteen (14) hours of each layover. The Unions have asked that this period be reduced to twelve (12) hours. The Companies denied the request on the ground that a period of fourteen (14) hours is necessary to put together an adequate load.

The attainment of maximum efficiency in operations would suggest a minimum of idleness in the equipment used in the production process. It follows, therefore, that it would be to the advantage of the Companies if layover periods were to be reduced to the minimum that operating schedules would allow. In this context, the question arises whether the maximum layover period of fourteen (14) hours is imposed by natural or artificial constraints.

Although the Companies submitted that "A decrease in the number of hours of layover simply would not fit the availability of loads to any of the Companies," the Board gained the impression that it would not be impossible to accelerate the process of putting together the necessary loads.

Therefore, the Board recommends that the Companies accede to the request of the unions for a reduction in the layover period from fourteen (14) hours to twelve (12) hours.[3]

[1,2] Mr. Whiteford does not concur with this recommendation.
[3] Mr. German does not concur with this recommendation.

9. **Article No. 10**

Section G(1) — Subsistence

The Board recommends that the subsistence allowance be increased by fifty cents (50¢) in each year of the agreement. The resulting allowances would be the following:

Subsistence (Per Day)

	1972	Jan. 1, 1973
(a) Sleeper Teams:		
i. North of Dawson Creek	$6.50	$7.00
ii. Hart Highway, Cariboo Highway and Highway 16 (West of Prince George)	5.50	6.00
iii. South of Dawson Creek (including Alberta)	5.50	6.00
iv. Between Alberta and Vancouver or Prince George (via Yellowhead or Rogers Pass)	5.50	6.00
v. Only while in Alaska	7.50	8.00
(b) Single Man Operation:		
All Areas	7.50	8.00

The Board is of the opinion that the increment for 1972 should be put into effect immediately upon and beginning on the date of the signing of the agreement.

10. **Appendix "A"** — Rates of Pay for All Single Man and Sleeper-Cab Drivers

Section 1 — Mileage Rates (Cents per Mile)

The Board recommends that the following rates should be paid in 1972 (retroactively to January 1, 1972) and in 1973 (beginning January 1, 1973).[4]

	Jan. 1 1972	Jan. 1 1973
(a) Sleeper Teams		
i. North of Dawson Creek	$16.75	$17.50
ii. Hart Highway, Cariboo Highway and Highway 16 (West of Prince George)	15.75	16.50
iii. South of Dawson Creek (including Alberta)	13.75	14.50
iv. Between Alberta and Vancouver or Prince George (via Yellowhead or Rogers Pass)	14.75	15.50
(b) Single Man Operation		
i. North of Dawson Creek	14.25	15.00

[4] Mr. German and Mr. Whiteford do not concur with this recommendation.

ii. Hart Highway, Cariboo Highway and Highway 16 (West of Prince George)	14.25	15.00
iii. South of Dawson Creek (including Alberta)	11.25	12.00
iv. Between Alberta and Vancouver or Prince George (via Yellowhead or Rogers Pass)	14.25	15.00

It is recommended further that drivers operating Triples or Super Transporter unit should continue to be paid one cent (.01¢) per mile over and above the recommended mileage rates.

The payment of this one cent (.01¢) premium per mile to drivers operating Triples and Super Transporter units has become the basis for a demand by the Unions that drivers operating Doubles, Truck and Pup Combinations, and units with Gross Vehicle Weight in excess of 80,000 should also be given a premium. Although the Companies insisted that the premium paid to drivers operating Triples was in recognition of their personal qualities rather than because of any greater difficulty in operating such units or because the units carry more freight, their decision to pay such a premium established the principle of a differential in pay based on the combination and freight carrying capacity of the vehicle.

The Board accepts the explanation of the Companies that the basis for their decision to institute the payment of the premium was the personal characteristics of the drivers, rather than the triple combination and freight carrying capacity of the vehicles. Nevertheless, they established a precedent; and it is to be expected that drivers operating double units, truck and pup combination units, and units with relatively high freight carrying capacity would believe to be unfairly treated.

Therefore, the Board recommends that drivers operating doubles and drivers operating truck and pup combination units be paid a premium of one-quarter cent (1/4¢) per mile in 1972 and an additional one-quarter cent (1/4¢) per mile in 1973. The Board also recommends that drivers operating vehicles which have Gross Vehicle Weight in excess of 80,000 be paid a premium of five cents (.05¢) per hour in 1972 and an additional five cents (.05¢) per hour in 1973. It is recommended that payment of the premium become effective on the date on which the agreement is signed.[5]

Section 2 — Work Time Rates (Domicile Rate)

The parties disagreed on two issues relating to the work time rates: the amount of the increment, and the equalization of rates between the Peace River Area and British Columbia. However, most of the discussion focused on the merits and demerits of equalization. The Unions based their arguments largely on the principle of equal pay for equal or the same type of work; whereas the Companies based their opposition to equalization on the substantially lower volume of freight in the Peace River Area, the lower cost of living there, and on the contention that the prevailing rates of pay in the Area are substantially lower than the rates paid by the Companies at present.

It is not deemed necessary that we outline the merits and demerits of the principle of equal pay for equal work or the rationale for the payment by a given Company of higher rates of pay where productivity is high and lower rates where productivity is low. Having considered carefully all the arguments prescribed before the Board by the two parties, the Board decided to recommend that the rates of pay between the Peace River Area and British Columbia be equalized.

[5,6] Mr. German and Mr. Whiteford do not concur with this recommendation.

In order to reduce the initial cost burden of this recommendation, the Board recommends that the equalization be put into effect in three stages: fifteen cents (15¢) as of July 1, 1972; twenty cents (20¢) as of January 1, 1973; and twenty cents (20¢) as of July 1, 1973.

In relation to the increment in rates of pay, the Board recommends an increment of thirty five cents (35¢) each year, effective January 1, 1972 and January 1, 1973.[6] The resulting rates of pay for each area, including the adjustment for area (i), and an agreed upon adjustment of eight cents (8¢) for area (ii) which is applied in July 1972, would be as follows:

Work Time Rate (Domicile Rate)

	Jan. 1 1972	July 1 1972	Jan. 1 1973	July 1 1973
i. North of Dawson Creek (including Dawson Creek)	$4.20	$4.35	$4.90	$5.10
ii. Hart Highway, Cariboo Highway, and Highway 16 (West of Prince George)	4.67	4.75	5.10	—
iii. South of Dawson Creek (including Alberta)	4.20	—	4.55	—
iv. Between Alberta and Vancouver or Prince George (via Yellowhead or Rogers Pass)	4.20	—	4.55	—
v. Vancouver	4.75	—	5.10	—

Section 3 — Layover Time-wait Time (Domicile Rate)

The Board could not find a rational basis for differentiation between work time rates and layover time or wait time rates. Therefore, the Board recommends that the increments recommended in relation to work time rates, i.e., thirty-five cents (35¢) each year, effective January 1, 1972 and January 1, 1973, be applied also to layover time and wait time rates.[7] The Board recommends further that the recommended adjustment to the work time rate of area (i) in the amount of fifty-five cents (55¢), and the agreed upon adjustment to the work time rate of area (ii) in the amount of eight cents (8¢), should be applied also to the layover time and wait time rates, in the same amounts and at the same time as the work time rates.

Section 4 (vi) — Accommodation

(a) **Sleeper Teams:**

The Board recommends that the accommodation allowance for sleeper teams held on layover be increased to five dollars ($5.00) per driver.

(b) **Single Man Operation:**

The Board recommends that the accommodation allowance for single man drivers held on layover be increased to eight dollars ($8.00).

[7] Mr. German does not concur with this recommendation.

12. **APPENDIX "A-1"** – Rates of Pay for all Single Man and Sleeper-cab Drivers

MILLAR & BROWN LIMITED

All recommendations made in relation to items contained in Appendix "A" apply equally to Appendix "A-1" [8]

13. **APPENDIX "B"**

Section 2(c) – Night Time Differential for Dock and Maintenance Shop Crews

The Board gained the impression that the parties had reached agreement on this issue. Nevertheless, since it appears amongst the issues placed before the Board, the following recommendation is made:

> The night time differential should be increased to thirty cents (30¢) per hour, and the time period over which it is applied should be between the hours 1359 and 0659.

14. **APPENDIX "B-1"**

It is recommended that the increment of thirty five cents (35¢) be applied to the rates of all occupational classifications in each of the two years, effective January 1, 1972 and January 1, 1973.[9]

15. **APPENDIX "C"** – Health and Welfare Plan

Section 4 (New Section) – Sick Leave

The existing Health and Welfare Plan provides for a non-occupational weekly indemnity commencing on the fourth day of absence from work due to sickness. On the assumption that the Plan cannot be changed to provide for commencement on the second day, the Unions have asked that the companies establish a cumulative Sick Leave Plan.

The principle of sick leave has been established and put into practice in scores of enterprises and institutions. The opposition of the Companies involved in this dispute appears to be motivated largely by apprehension regarding the effect it might have on absenteeism. The Companies believe to have a legitimate basis for their contention that a provision such as the one requested by the Unions will raise the rate of absenteeism and thereby cause an increase in operating costs and serious disruptions in operations.

The emphasis placed by the Companies on the potential disruptive effect of such a provision, leads the Board to the conclusion that given appropriate safeguards against abuse, the provision would not be opposed to the extent that it has been. But, the question arises whether a request which in itself may be justified should be denied because existing processes of determining the legitimacy of cause are imperfect.

Therefore, the Board recommends that the parties determine whether it is possible to change the Health and Welfare Plan so that the weekly indemnity which now commences on the fourth day of absence could commence on the second day. If they determine that such a change is not possible or they agree that such a change is not desirable, then the Board recommends that the Companies accede to the request of the Unions for sick leave pay for the second and third day of absence from work due to sickness.[10]

[8,9,10] Mr. German does not concur with this recommendation.

The Board wishes to record the opinion that it should be the responsibility of the Unions to ensure that their members do not abuse this provision. Nevertheless, to allay the apprehensions expressed by the Companies, the Board recommends that the parties formulate appropriate procedural safeguards against abuse.

16. **APPENDIX "C"** – Health and Welfare Plan

Sections 2 and 3

The Unions have asked for a number of important changes in the Health and Welfare Plan:

(a) The increase of A.D.&D. benefits by $2,000;

(b) The increase of the weekly indemnity by $20;

(c) The extension of the period of coverage from 26 weeks to 52 weeks; and

(d) The introduction of a comprehensive dental plan for dependent children

Considering the magnitude of these and other changes sought by the Unions, the Board was rather surprised that neither of the two parties was able to present an estimate of cost. Equally, neither of the parties volunteered any information regarding the possible cost of the proposed dental plan.

It would appear that the approach to negotiation on issues related to health and welfare has been for the Unions to set out the nature of benefits that they wish to have for their members, and then negotiate on the magnitude, range and duration of the benefits to be received. Since the nature, magnitude, range and duration of benefits can be manipulated in order to achieve given predetermined objectives, the negotiation of Health and Welfare Plans is an inherently difficult process.

Therefore, the Board wishes to recommend that for the purpose of a collective agreement the parties negotiate on the contributions to be made by each rather than on the benefits that the total contribution would purchase. Applying this principle, the Board will not make a recommendation on the specific requests of the Unions. Instead, the Board recommends that:

(a) For the year 1972, the companies contribute eighteen dollars ($18) per month per eligible employee, and each employee contribute an amount equal to one-third (1/3) of the amount contributed on his behalf by the company; and

(b) For the year 1973, the companies contribute twenty four dollars ($24) per month per eligible employee, and each employee contribute an amount equal to one-quarter ($^1/_4$) of the amount contributed on his behalf by the company.[11]

The Board wishes to express its appreciation to the representatives of the Unions and the Companies for their co-operation throughout the proceedings.

(Sgd.) S.G. Peitchinis (Chairman)

Calgary, Alberta,
March 8, 1972

[11] Mr. German and Mr. Whiteford do not concur with this recommendation.

Report of J. Whiteford

1. **Article 9**

Should be adjusted to grant 26 weeks.

2. **Article 10**

The definition of "work time" should include fuelling, hooking, and unhooking.

— Subsistence

— Accommodation

Taking these two items in combination, then effective

January 1, 1972 — Subsistence per day be $6.00
January 1, 1973 — " " " $6.50
a reduction of 50¢ per year)

Accommodation for whatever reason (Not confined to layover).

For Sleeper Teams be $5.50 per driver for term of agreement.

Single Man operation $8.00 — same terms

All effective January 1, 1972.

3. **APPENDIX "A"** — Section 1

Requires an additional $^1/_4$¢ on all figures in (a) and (b) — 1972 and 1973.

Doubles, truck and pup combinations — additional $^1/_2$¢ effective January 1, 1972.

Vehicles having GVW in excess of 80,000 lbs. — 15¢ effective January 1, 1972.

WORKTIME — (Domicile rate)
Increments — 40¢ January 1, 1972
— 40¢ January 1, 1973

The 8¢ for Area 2 to be effective January 1, 1972.

4. **APPENDIX "C"**

Health & Welfare Plan to provide:

$10,000.00 Life Insurance

$10,000.00 Accidental Death & Dismemberment

$ 100.00 per week Weekly Indemnity on a first day accident —4th day sickness — 52 week basis.

Extended Health Benefits —

Long Term Disability	—	(Maximum $400.00 per month) Not beyond age 65
Dental Plan	—	(for dependent children under age 19)
Medical Coverage	—	provided by the appropriate Provincial Plan
Contributions	—	Employees 25% of total premium to a maximum of $10.00 per month.

(Sgd.) J. Whiteford
Member of the Board

Report of Neil V. German

Considering the report of the Conciliation Board and in particular in relation to economic sense in respect to various issues, it becomes necessary to set forth some background in order to establish a perspective in regard to the problems herein.

These problems are such that one requires some overall philosophical point of view from which to proceed and also some economic background in respect to which to make some judgment.

In the first instance, one could say that the original demands of the Unions were quite unreasonable and the problem arises as to whether, by the time of the hearing, their demands were reasonable or not. The Unions argue that their demands are in line with settlements which they have recently obtained from other employers. This raises the question as to whether these other employers are comparable with the employers in respect to this particular conciliation and raises also the problem as to the circumstances under which these other conditions were established. It is notorious that Unions very effectively use what is known as whip-saw procedure. This, of course, can be done even between contracts as well as using employer against employer. Part of this can involve what is called "leap frogging." The Unions position, of course, is not necessarily consistent in regard to this matter, nor logical, because they will pick on certain provisions from a contract and then refuse to accept other provisions in that contract for the purpose of these proceedings, and will pick and choose what they consider the best provisions of the various types of contracts. This makes it very difficult to assess the value of these particular provisions even if one could establish some sort of parity between the employers.

For instance, in this particular case, all three employers are involved in interprovincial carriage. In connection with the TLR Contract, Exhibit 4, there are 79 firms signing the contract but only a possibility of 5 of them are involved in interprovincial carriage. Two of those are, in essence, only involved in transporting from Vancouver to Seattle so that leaves us 3 out of 79 to try and determine as to whether their interprovincial carriage is equivalent to that of these carriers. The situation gets much more complicated when you realize that three interprovincial carriers will not be operating the similar type of business to that of these companies and that the vote of those three interprovincial carriers will not have much effect against 76 votes which may have completely different objectives and problems in mind.

It is suggested that we can no longer permit either party to deal with these questions in isolation because of the precedents they create and because decisions that they make have a great effect upon the consumer. Eventually and inevitably the consumer has got to bear the burden of these increased costs.

Ability to pass on costs can vary considerably between provinces and between industries and even sometimes between companies within an industry. All of the regimentation that a government imposes and particularly in regard to rate structure, the more easy it is, in essence, in the long run to pass on these wage increase costs to the consumer.

There are many restrictions on companies, such as the Combines Act but there are very few restrictions upon Unions and, consequently, it is quite clear that some Unions have tremendously over-balanced power compared with other Unions and with other members of the work force of Canada. Consequently, they are creating many injustices in industries and between members of the work force itself.

In order to emphasize the reality of this situation, it is necessary to set forth some statistics for you.

From the Canada Department of Labour statistics, Truck Transport, Table 75, October, 1970, the average hourly rate for truck drivers, light and heavy, briefly as follows:

Halifax, Nova Scotia	$2.13 an hour
Winnipeg, Manitoba	2.48 an hour
Regina, Saskatchewan	2.56 an hour
Calgary, Alberta	2.78 an hour
Vancouver, B.C.	3.88 an hour

One of these companies had the average yearly earnings for the year 1971 which were as follows:

Linehaulers	— Vancouver	$14,439.00
	— Prince George	$13,332.00
	— Dawson Creek	$12,112.00
	— Alberta	$12,447.00

Considering Canada's work force as a whole, the average payroll worker in Canada for the year 1971 earned the sum of $6,408.00.

From this you can readily see that the linehaul truck drivers in these particular instances are among the elite of the work force in Canada and you will note that we are again talking about averages, whereas in some instances some of these linehaulers earn as much as $28,000.00 or $29,000.00 a year.

When we talk about increase in productivity on an overall basis, it must be appreciated that only about 35% of the work force in Canada is involved in industries that have increased productivity, in other words, the other 65% of the work force are involved in classifications that contribute little, if anything, to the increased productivity of Canada. This, therefore, means that one-third of the work force insofar as the labour element of productivity is concerned, must carry on its back the other two-thirds of the work force insofar as increased wages are concerned. These particular companies are within an industry that on an overall basis contributes little to increased productivity.

These Unions, in this instance, are also trying even in the case of some increase in productivity of an industry, to impose a sectoral basis, for examples, extra money for driving doubles, extra money for driving vehicles with a gross weight exceeding 80,000 lbs., when they produced little, if any, evidence to substantiate that driving these vehicles in essence caused any more responsibility or hard work on behalf of the driver. In other words, what you are doing is slicing off some of the productivity before you get down to the basis of determining as to how you divide up increased productivity on an overall basis. This certainly is going to complicate the problem a great deal and I suggest is a trend which should be very strongly resisted.

It is also to be pointed out the demands of the Union in this case have no relationship with the increase in costs of living, in fact greatly exceed it. Therefore, their demands are merely on the basis of "more" and have no justification except perhaps from the point of view of comparibility of what some of their members have gained in other places. The question is as to whether this is proper overall justification, even though these particular Unions within themselves feel that it is a justification.

It is evident that from an overall economic point of view the various proposals of the companies were most generous, in fact from the point of view of the viability of our economy, one might even criticize them for being so generous. They are faced with a practical problem of endeavouring to survive under the tremendous pressure that these Unions are in a position to exert.

The resulting award will, of necessity, cause many adjustments within these companies and as a straight matter of economics will discriminate against the economic survival of such a service to small communities. For instance, the Union readily admitted that their workers were the highest paid workers in Dawson Creek. The new award would merely broaden the lead which they have already achieved.

In order to avoid any possible criticism that these are merely my personal views and are therefore to be discounted, I am hereinafter setting forth certain extracts from the Bank of Canada Review of January 1972.

> "The recent experience of most countries suggests that assured and socially tolerable means have not yet been found for dealing effectively with inflation once it has become well entrenched. There are added difficulties for economies as open as Canada's. Our high degree of dependence on external trade inevitably means that Canadian price and cost trends (as well as many other aspects of performance) are strongly influenced by developments in other countries, particularly the United States."

and again,

> "The relatively small improvement in prices and costs in the United States through the first half of 1971 led to the introduction of price and incomes controls as part of the package of measures announced on 15 August 1971 to improve the balance of payments, stimulate the economy and check inflation. The first phase of this programme involved a 90-day freeze on wages, salaries and prices of most goods and services; it was followed in mid-November by a second phase involving a more limited and more flexible system of controls directed primarily at larger entities and administered by two separate bodies — a Pay Board and a Price Commission. The Pay Board has set as a standard an annual increase of 5-$^1/_2$ per cent in average compensation per employee; this compares with an annual rate of increase of 7-$^1/_4$ per cent in average hourly earnings in the non-farm private economy during the first half of 1971 and with annual increases averaging around 8 per cent over the life of the contract in major collective bargaining settlements during the first nine months of the year."

and again,

> "Despite the reduced ability of business to pass on increased costs, the slower rise in consumer prices and the substantial slack which developed in labour markets, wage

and salary increases showed little moderation. For example, new collective bargaining agreements (excluding construction) on average provided for annual increases in base rates of pay of only slightly less than 8 per cent in 1971 compared with 8-$^1/_2$ per cent in 1970 and 7-$^1/_2$ per cent in 1969. The rate of increase from a year ago in average hourly earnings in manufacturing has recently been exceeding the 8 per cent gain recorded in 1969 and 1970. Average weekly wages and salaries in private industry, a somewhat more comprehensive measure of actual earnings, showed some deceleration in the latter part of 1970, but as may be seen in Table 2, the annual rate of increase has since returned to above 8 per cent with earnings in construction continuing to rise more rapidly than in other sectors. In addition, as the Table shows, the increase in average industrial earnings has surpassed the rise in the cost of living to a very unusual degree during the past two years; in other words there appears to have been an abnormally large gain in real wages."

and again,

"The moderation in the rise in average compensation in the latter part of 1970 coincided with a revival in the growth in productivity with the result that the rise in labour costs per unit of output slowed markedly (see Table 3). However, even though productivity gains in 1971 were well above average, unit labour costs began to rise more quickly. With profits recovering sharply in the course of 1971, the combined total of these two key elements on the cost side has recently increased quite rapidly."

and again,

"On the other hand, profit margins have already recovered substantially and should not add as much to total costs as they did in 1971. However, there is probably little scope for them to absorb a rise in other cost factors since a renewed squeeze on profits would be apt to jeopardize the strengthening of business capital investment which is needed for sustained vigorous expansion of the economy. Therefore, the future course of prices will be crucially affected by the scale of pay increases in relation to realized productivity."

and again,

"One way or another, however, nominal earnings and prices will have to move in such a way that the increase in real earnings eventually comes more into line with increases in productivity."

Section 138, sub-section 1, of The Canada Labour Code reads as follows:

"138. (1) A Conciliation Board shall, immediately after appointment of the Chairman thereof, endeavour to bring about agreement between the parties in relation to the matters referred to it."

The Chairman of this Conciliation Board is to be complimented upon his efforts to bring about agreement between the parties in relation to the matters referred to the Board. The parties did in fact agree on quite a number of issues but certainly left some very difficult problems for the Board.

This section causes the writer a great deal of difficulty in trying to determine as to whether the sole object is an agreement between the parties at any cost or whether it is an agreement between the parties in relation to the economy as a whole.

It is suggested that whatever the philosophy of that Section 138, sub-section 1, is, the provision should be made clear that it is the duty of the Board to make an award based upon the merits of the situation, taking into consideration the effect on the consumer and the effect on the economy and an evaluation of the principles that are endeavoured to be established with due regard to obligations to society as a whole.

Even if this award results in solving the problems between the parties, it certainly will, unfortunately, create considerably more problems in the industry as a whole and of course, in the economy in general.

DATED at the City of Calgary, in the Province of Alberta, this 8th day of March, A.D. 1972.

(Sgd.) Neil V. German

Supplementary Report of Neil V. German

1. **Article No. 2** — Union Security

   Section A (4)

   I concur.

2. **Article No. 2**
   Section C (4)

   I concur.

3. **Article No. 7**

   Section 0

   I concur.

4. **Article No. 7**

   Section P

   I concur if the Board's recommendation, in essence, clearly means that it must be an instant which directly involves the employee and/or the company during the employee's regular work day.

5. **Article No. 8**

   I concur.

6. **Article No. 9**

   Section A (3,a)

   I concur.

7. **Article No. 10**

Section C

I concur.

8. **Article No. 10**

Section F(1)

I dissent.

9. **Article No. 10**

Section G(1)

I concur.

11. **Appendix "A"**

Section 1

I dissent in respect to mileage rates. I dissent in connection with any premium in connection with doubles, truck and pup combinations or gross vehicle weight.

Section 2 – WORK TIME RATES (Domicile Rate)

I dissent.

Section 3 – LAYOVER TIME – WAIT TIME (Domicile Rate)

I dissent.

Section 4 (vi) – ACCOMMODATION

(a) Sleeper Teams

I concur.

(b) Single Man Operation

I concur.

12. **Appendix "A-1"**

I dissent.

13. **Appendix "B"**

Section 2(c)

I concur.

14. **Appendix "B-1"**

I dissent.

15. **Appendix "C"**

I dissent.

16. **Appendix "C"** – Health and Welfare Plan

Sections 2 and 3

I dissent.

Dated at the City of Calgary, in the Province of Alberta, this 17th day of March, A.D. 1972.

(Sgd.) Neil V. German

Report of Board of Conciliation and Investigation established to deal with dispute between:

Canadian National Hotels Limited (Bessborough Hotel)

and

Canadian Brotherhood of Railway, Transport and General Workers

The Board was under the Chairmanship of Professor Norman Ward, University of Saskatoon, appointed by the Minister of Labour in the absence of a joint recommendation from the other members of the Board, Robert H. McKercher, Q.C., Saskatoon and M.J. McTaggart of Regina, who were previously appointed on the nomination of the company and union, respectively. The report was received by the Minister during February.

The Board encountered some initial difficulties in arranging meetings with the parties, and was unable to hold its first hearing until January 17, 1972. On January 17, 18 and 19 the Board held six meetings, at the first four of which representatives of both parties were present. The Board's report was discussed by the three members on January 18 and 19, and then drafted by the chairman on January 20 and 21. At the Board's hearings the union's brief was presented by Messrs. R. Henham and H. Critchley, supported by members of the local negotiating committee; the company's by Mr. P.A. McDiarmid, supported by Messrs. G. Wheatley and G. McCabe. No witnesses were called apart from the representatives of the parties already present.

The union's case included thirty separate requests, several of which were subsequently dropped, or agreed to by the company, in discussions before the Board, so that the actual number of recommendations which the Board had to make was not large, although the subject matter involved the most important issues in dispute. The Board found some problems arising from the fact that a major issue between the two parties, although it was not before the Board, arose from the uncertainty over whether the parties were under federal or provincial jurisdiction. The union has a federal certification, but the company claims to operate the Bessborough Hotel as a separate enterprise under the laws of Saskatchewan, and obeys provincial laws concerning minimum wages, hours of work,

etc. The parties agreed that the question of jurisdiction was unsettled, and likely to remain so for some time, but neither suggested that jurisdiction affected their willingness to use the services of the Board. Regardless of jurisdiction, both parties appeared before the Board in good faith, and neither attempted to use jurisdiction as the basis for any obstacle to the Board's work. Several matters in dispute were settled before the Board, during its hearings, and these are dealt with seriatim in Part 1 below; Part II deals with the remaining issues.

Part I

The union's requests settled before the Board, and the dispositions made of them, were as follows:

1. Amend Article 2 (Definitions) by adding:
   Chef de Partie
   1st Cook
   General Cook.

   The company argued that these three categories were well recognized in the hotel industry and needed no detailed job description in the general section on definitions. The Board agrees with the company, and makes no recommendation on this request.

2. Amend Article 3.12 (Deduction of Dues) by reducing 20 hours to 10 hours and have this clause include Casual Help.
   The purpose of the first part of this proposal was to reduce to 10 hours the amount of time worked in any one week by a part-time employee before union dues are deducted. The union's brief, and discussions before the Board, both referred to an arrangement in force elsewhere in which 60 hours per month was the basic requirement to be met before union dues were deducted from part-time employees. It was apparent to the Board that the parties could complete negotiations on this request, and the Board therefore makes no recommendation.
   The second part of the request deals with Casual Help, which is specifically exempted from the contract by Schedule B. The Board has therefore no jurisdiction in the matter.

3. Amend Article 4 (Seniority) to provide that employees with more than 1 year of service be given preference to filling positions in Schedule B.
   The company asserted that it was already its policy to promote from within its organization whenever possible, and that experience was naturally a factor taken into consideration. The union agreed before the Board to drop this request.

4. See Part II (a).

5. Delete Article 5.6 (Bulletining of Positions).
   This article, citing three categories of employees, gives the company "the right to make appointments to the following positions without regard to seniority or the necessity of posting or bulletining," and entitles employees within scope to "first consideration when such appointments are being made." The union agreed before the Board to drop this request.

6. Amend Article 6 (Hours of Service) to provide for a shift differential of 10¢ per hour for time worked 6:00 p.m. to midnight and 15¢ per hour for time worked midnight to 6:00 a.m.
   The agreement at present requires no shift differentials, and the company argued that shift work was a known and normal condition of hotel work. The union agreed before the Board to drop this request.

7. See Part II (b).

8. Amend Article 7 (Overtime and Calls) to provide for the payment of double time for overtime.
   Overtime is now paid for at $1^1/_2$ times regular time. The union agreed before the Board to drop this request.

9. Amend Article 7.3 to provide for senior employees to have first preference for overtime.
   The present article requires that for overtime "some preference" is to be given to senior employees. The company pointed out that the union's request could be met merely by deleting the word "some," and the parties agreed to the deletion.

10. See Part II (c). (Signed by the Chairman and by Mr. McTaggart for the union.)

11. Amend Article 7.7 to provide for payment of $1.50 for lunch and $2.00 for dinner functions.
   This article covers gratuity earners temporarily assigned to duties where their normal gratuities will not be offered by patrons, and for several years the compensation has been $1.00 for lunch and $1.25 for dinner functions. The union agreed before the Board to drop this request.

12. Amend Article 7.8 to provide payment of overtime on the 6th and 7th day.
   Under the agreement, part-time employees receive overtime rates "for all time worked on the seventh consecutive day," but not on the sixth consecutive day unless a forty hour week has already been worked. The union agreed before the Board to drop this request.

13. See Part II (d).

14. Amend Article 9 (Probationary Employees) to provide a probationary period of 30 days.
   The present probationary period is 60 days of actual work, during which an employee found unsuitable "will not be retained in the service of the company." The union agreed before the Board to drop this request.

15. See Part II (e).

16. Amend Article 11.1 (Statutory Holidays) by including Remembrance Day and Easter Monday as holidays.
   Article 11 lists nine statutory holidays, and the company noted in its brief: "In addition the Bessborough Hotal meets the requirement of the legislation of the Province of Saskatchewan which provides for seven of the above statutory holidays plus Remembrance Day." The union, provided that Remembrance Day is written into the contract, agreed before the Board to drop its request for Easter Monday.

17. See Part II (f).

18. Amend Article 11.5 to read 'one and one-half times his hourly rate.'

Articles 11.4 and 11.5 deal with the granting of time off in lieu of a statutory holiday worked, or pay at regular rates in lieu of a day off. The union agreed before the Board to drop this request.

19. See Part II (g).

20. See Part II (h).

21. and 22. Amend Article 14.1 (Grievance Procedure) to provide for the employee and for the Local Chairman or his Representative to present the grievance within 5 days.

Amend Article 14.3 to provide for 5 days to present the grievance.

The contract calls for 3 days where 5 is used above. The company said in its brief that both demands "could be agreed to as part of a satisfactory package settlement," and it is the Board's understanding that the extension to 5 days is acceptable to the parties.

23. See Part II (i).

24. See Part II (j).

25. See Part II (k).

26. Amend agreement to provide that all employees will receive free transportation if required to start or stop work between midnight and 7:00 a.m.

The company's brief on this point says in part:

The Company presently provides transportation to meet the standard set out in provincial legislation as follows:

> 'A female may be employed after the hour of half-past twelve o'clock in the morning but not later than one-thirty in the morning local time, provided free transportation is supplied by the employer to the employee's place of residence.'

The parties also have a letter of agreement on this matter. The union agreed before the Board to accept the provision of transportation for female employees only, but expressed a strong preference for having the terms of the letter of agreement written into the contract; since the letter embodies provincial law, which the company repeatedly said it adhered to where labour conditions were concerned, the company saw no need to write its terms into the contract. The parties seemed to the Board to be so close on this request that it sees no need to make a recommendation.

27. See Part II (l).

28. See Part II (m).

29. See Part II (n). (Signed by the Chairman and by Mr. McTaggart for the union.)

30. See Part II (o).

Part II

This section of the report deals with issues not dropped or agreed to before the Board, and on which the Board must therefore make recommendations. (Except as indicated in Part I, all sections of Part II were signed by the three Board members.)

Part II (a)

The union's 4th request (numbered seriatim as in Part I, above) was: Amend Article 4.13 (Seniority) to provide a minimum of 10 days notice of layoff.

Article 4.13 now reads: "The Company will give to the employees affected as much notice of layoff as possible." The company brief on this clause said in part: "The Hotel Bessborough follows a policy of at least meeting the seven-day advance notice requirement of provincial law and attempts to better that when possible." Both parties agreed before the Board on the desirability of the minimum seven-day notice, but seemed unable to agree on how to accomplish this, the union wanting the terms of the law written into the agreement, the company willing to continue its present practice with the contract unchanged. The Board recommends

(a) that clause 4.13 be amended to read: "The company will give to the employees affected as much advance notice of layoff as possible, and in each individual instance a minimum of seven days."

Part II (b)

The union's 7th request was: Amend Article 6.4 to provide a payment of $1.25 for split shifts.

The present contract provides for a split shift differential of 50¢ per day for a two tour split shift. (The contract also covers three tour split shifts, but the hotel now has none.) The company argued that, contrary to an apparent assumption in the union's brief, split shifts could not be eliminated altogether, but were an indispensable part of a hotel day. Both parties moved away from their intitial positions before the Board, but no agreement was reached.

The Board recommends

(b) that 6.4 be amended to provide for a split shift differential of seventy-five cents (75¢) for a two tour split shift, and that the provision for three tour split shifts be eliminated as obsolete.

Part II (c)

The union's 10th request was: Amend Article 7.5 to provide for a minimum call out of 4 hours.

The present agreement provides for a 2 hour call out, and the union noted in its brief that provincial law requires a minimum 3 hour call out, "and because the Bessborough profess to be complying with provincial law, we know of no reason why the provision for a 3 hour call out should not be written into the agreement, and we would amend our demand accordingly." The company told the Board that it was adhering to provincial law. If so, Article 7.5 is obsolete, and the Board recommends

(c) that Article 7.5 be amended to make it consistent with provincial law.

The union's 10th request was: Amend Article 7.5 to provide for a minimum call out of 4 hours.

Article 7 relates to "overtime and calls." Specifically Article 7.5 refers to a "regularly assigned full-time employee" being required to perform extra work in addition to his regularly assigned hours. Sub-paragraph (a) provides for pay for such work at the

agreed overtime rate. The same paragraph provides for a guaranteed income payment for such overtime work. That guaranteed minimum now provides for an equivalent compensation of 3 hours pay. Accordingly, the present provincial law is in fact being met as Minimum Wage Board Order number 1 (1972) requires (if it applies at all since that Order excludes its application to overtime) a minimum compensation equivalent to 3 hours at the minimum wage rates.

Accordingly, there is no recommendation to be made and the union's request is rejected.

(Sgd.) R.H. McKercher,
for the company

Part II (d)

The union's 13th request was: Amend Article 8.6 to provide for a minimum call out of 4 hours at double time.

Article 8.6, which covers employees required to work on their assigned days off, compensates an employee at $1^1/_2$ times his rate for a minimum period of two hours and forty minutes, i.e. a guarantee call equal to four hours pay. In the Board's opinion the union did not justify its request and (assuming that the clause remains consistent with the provincial legislation to which the company adheres) the Board recommends

(d) that Article 8.6 not be amended.

Part II (e)

The union's 15th request was: Amend Article 10.2 by deleting the last sentence.

The relevant sentence, which follows provisions covering an employee temporarily assigned to a higher rated position, and actually fulfilling the duties of that position, reads: "Assisting a higher rated employee due to a temporary increase in the volume of work does not constitute a temporary assignment to a higher rated position." The company argued that the sentence was justified because temporarily assisting a higher-rated employee was not the same as fulfilling his "duties and responsibilities," and the union did not offer any convincing evidence to refute this. The Board recommends

(e) that Article 10.2 not be amended as requested.

Part II (f)

The union's 17th request was: Amend Article 11.2 on the 4th line by deleting the word 'and' and inserting 'or.'

This article covers eligibility for statutory holidays, and requires employees to establish eligibility both before and after a holiday. The requested amendment would, in effect, reduce two requirements to one.

The Board finds nothing unreasonable about the existing clause, and recommends

(f) that Article 11.2 not be amended as requested.

Part II (g)

The union's 19th request was: Amend Article 12 to provide for 3 weeks vacation after 4 years of service, 4 weeks after 15 years of service and 5 weeks after 25 years of service.

The contract, as summarized in the company's brief, awards holidays as follows:

2 weeks' vacation after one year of service
3 weeks' vacation after ten years of service
4 weeks' vacation after eighteen years of service.

"In addition," the company's brief read, "as required under provincial law, employees of the Hotel Bessborough receive three weeks' vacation with pay in the calendar year following the fifth anniversary date of employment in the hotel."

The agreement is clearly inconsistent with the law to which the company adheres, and the Board was also given evidence to show that there is a difference between the calendar year used for calculating holidays under the agreement, and the years of service used in the legislation. On the other hand, no convincing evidence was offered to support union's request for more generous holiday provisions, unless one accepts (as the Board cannot on the briefs presented to it) that the hotels in the Canadian National system are the same as the railways.

It is the Board's opinion that the agreement should include the actual holiday provisions in force, and recommends

(g) that Article 12 be re-written to include the annual vacations provided for by provincial legislation.

Part II (h)

The union's 20th request was: Amend Article 12.12 by deleting 'February 1' and inserting 'March 1.'

The effect of this proposal would be to give the employees one month more, and the hotel one month less, to arrange for employees' annual vacations. The date of February 1 is, according to the company, standard in their hotel agreements, and the loss of one month in the scheduling of vacations would add to staffing problems during vacation months. The union argued the contrary, adding that the Bessborough's practice in issuing holiday pay, which differs from provincial legislative requirements, actually earns the hotel interest on holiday pay withheld. The union had no convincing evidence to support its request for a change. The Board recommends

(h) that Article 12.12 not be amended as requested.

Part II (i)

The union's 23rd request was: Amend Article 19 to provide for the Hotel to award to the employees the full terms of the Master Plan signed in May 1971.

The union's request in effect sought the application to the hotel employees of fringe benefits negotiated by railway non-operating unions for railway employees, and specifically required payment for jury duty, $500 paid up life insurance on retirement at 60 or older, payments to the employee for medicare, and other benefits. The union reduced its requests before the Board, and indicated its willingness to agree to the payment to the employees of an amount equal to actual medicare premiums ($72 married, $36 single), and the $500 life insurance.

The Master Agreement (as it is called in the contract) was an issue on which the company was adamant, although during negotiations some relatively minor concessions were made; but the company refused at any time to concede that benefits won by railway unions have any necessary relationship to contracts with hotel employees. The Board was convinced of the company's intention to make no further concessions in connection with the Master Agreement, and recommends

(i) that the union's request for the full terms of the Master Agreement be rejected.

Part II (j)

The union's 24th request was: Amend Article 20.7 to provide for the employee to receive not less than 80% of all gratuities.

Article 20.7, the only reference to gratuities in the agreement, reads: "The amount of, and distribution of unspecified gratuities by the company shall be made known to the Local Chairman when

requested." Since gratuities are not wages or benefits as covered in the contract, the Board does not believe it has any jurisdiction in the matter, and recommends

(j) that the union's request that employees receive not less than 80% of all gratuities be rejected.

Part II (k)

The union's 25th request was: Amend Article 20.9 to provide for 5 days' bereavement leave in the event of an out-of-province death.

Article 20.9 gives employees with at least one year's seniority "three working days' pay" (not leave) in certain instances, and no evidence was offered to substantiate the suggestion that this was in any way inadequate. (In practice leave, not pay, is what is granted.) The Board recommends

(k) that Article 20.9 not be amended as requested.

Part II (l)

The union's 27th request was: Amend agreement to provide for 18 days sick pay per year, cumulative to 200 days.

The Benefit Plan covering the employees currently provides for the payment of 75% of an employee's base pay up to a maximum of $80 weekly up to a maximum of 26 weeks for each separate sickness or injury. The benefits under the plan do not begin until the fourth day of an illness, and the union sought not to enlarge the benefits but to cover the period before and after the indemnities already provided. Before the Board, the union reduced its requests to 12 days cumulative to 30 days. On this issue again the company was adamant, pointing out that all sickness plans provide for a short waiting period to prevent abuse, and that the existing plan was well in advance of prevailing practices in the hotel industry. The Board recommends

(l) that the union's request for additional indemnities under the Benefit Plan be rejected

Part II (m)

The union's 28th request was: Amend agreement to provide for 50¢ per hour increase for a further 2 year period.

Both parties regarded this as the most important single item in dispute, and both supported their arguments with statistical material, the union drawing on hotels as hotels, from coast to coast, the company drawing on hotels in Saskatoon and one other in Saskatchewan with which the Bessborough Hotel directly competes. In negotiations prior to the establishment of the Board, the company had made no counter-offer to the union demand of 50¢ across-the-board.

At the Board's hearings, the union modified its position to suggest that it would agree to 15¢ as of August 1, 1971; 15¢ on January 1, 1972; and 10¢ August 1, 1972, for the second year of the contract. The company, which also made clear its preference for a two-year contract, suggested before the Board an increase of 5¢ for the first year, and 5¢ for the second. Both parties, when discussing wage rates, referred to all proposals in terms of the rates prevailing at the expiration date of the previous contract, i.e., July 31, 1971. The company's offer of 5¢ for the first year thus meant an increase of 5¢ on rates in the contract on July 31, 1971.

The Board's consideration of wage rates was considerably complicated by the legal establishment on January 2, 1972, of a provincial minimum wage of $1.70 per hour: a rate which automatically raised the pay in many classifications in the contract, and eliminated many differentials between classifications which had existed until then. The new legal minimum wage also meant, in effect, that the company's offer, based on the 1969-71 rates in the agreement, involved asking the union to accept on paper rates which were no better than the legal minimum wage. The Board in due course found itself in a rather similar dilemma: on the one hand, any recommendation on wages, based on 1969-71 rates, that even appeared to expect the union to agree to contractual rates below the minimum wage was clearly unrealistic; on the other hand, a proposal large enough to overcome all the difficulties was equally clearly unrealistic when the Board considered the company's position. In the interests of effecting a settlement, the Board examined numerous possibilities, and concluded that a workable solution lay in the timing of recommended wage rates. The recommendation which follows therefore proposes one rate for the period August 1 – December 31, 1971, and a second from January 1, 1972, on; not because the Board necessarily favours changing the dates on which annual increments become effective, but because in this instance the coincidental change in the legal minimum wage on January 2 makes an irregular pattern of dates necessary. The Board recommends

(m) that a 10¢ wage increase in all categories become effective for the period August 1, 1971, to December 31, 1971; and that a further wage increase of 10¢ in all categories become effective for the period January 1, 1972 to July 31, 1973.

The union's 28th request was: Amend agreement to provide for 50¢ per hour increase for a further 2 year period.

The writer appreciates the force of the Chairman's comments relative to the dilemma facing the parties and the Board in meeting the union's request for such wages in light of minimum wage legislation existing in Saskatchewan. In my view there are two significant factors to be considered:

1. The fact that the minimum wage legislation is designed to establish minimum wage levels in the community. Such legislation is not designed to cause a similar wage hike for all levels of the community – otherwise the purpose of the legislation is defeated. The union in this case seeks to achieve a larger than justified wage boost for employees whose wages are not affected by the minimum wage legislation, by fastening on the existence of such legislation. Such a position exacts an unfair penalty for employers who negotiate wage rates under the collective bargaining process.

2. The union in the conciliation hearing presented to the Board no, and I repeat no, comparisons or evidence of wage rates paid in Saskatoon or Saskatchewan tending to show that the Hotel Bessborough rates were behind the hotel's competition or those of similar enterprises. All rates collected by the union as comparisions (see union brief, page 12) were in other provinces – from British Columbia to Nova Scotia. On the other hand, the comparisons supplied by the company show that the company is paying today a competitive wage level in the main (see table D, page 14, company brief).

In my view, the company on the evidence established a reasonable case for an across the board increase of 5¢ to 7¢ as of August 1, 1971 and a similar wage increase across the board August 1, 1972. In my view, if the Board attempts to implement minimum wage levels without making a finding as to whether the union's position or the company's position is supported by their respective submissions it will not materially assist the parties in reaching a settlement.

Since the parties obviously must go back to the bargaining table to negotiate a new wage rate it is to be hoped that they will do so in the near future.

(Sgd.) R.H. McKercher,
for the company

Part II (n)

The union's 29th request was: Amend agreement to provide for the following adjustments in classifications:

Front Office Cashier and Room Clerk	20¢
Shift Engineer	60¢
Electrician	60¢
Carpenter	60¢
Air Conditioning Engineer	60¢
Chef de Partie	30¢
General Mechanic	50¢
Plumber	60¢
Painter	60¢
Bartender	20¢
Maintenance Man to be reclassified as a General Helper	
Counter Girl to be reclassified to a Kitchen Attendant.	

In negotiations before the Board, the union cut the foregoing wage requests in half, except for the Carpenter, for whom 40¢ was requested. The company at no time made an offer in regard to this series of requests, supporting its case with reference to comparable wages in other local hotels with which the Bessborough competes. The company also rejected the two reclassifications requested.

On this latter point the Board agrees with the company, as no convincing evidence was offered to justify the requested changes. On the general question of special increments for special classifications, however, the evidence was conflicting, with the union's strongest case resting on a claim for the necessity of maintaining differentials for the more highly skilled or more highly prized classifications in the agreement. The Board could see some force in this argument, but was not convinced that a case had been made either for increases of the magnitude suggested, or for the particular distribution of the increases suggested. The Board concluded that the most workable solution to the problem lay in recommending that a lump sum be allocated for differential increases of the kind requested, the actual distribution to be worked out among the parties. The Board recommends

(n) that a sum of $2,500.00 be allocated for distribution, by agreement between the parties, among the classifications listed in the union's 29th request.

The union's 29th request was: Amend agreement to provide for adjustment in 10 specific wage categories and a reclassification of 2 categories.

While the union's brief requested an increase in certain specific classifications above the general wage hike demanded, again the union failed to supply to the Board comparisons of local wage rates in support of its request. (There was one exception i.e. Tapman.) Historically the employer has agreed to provide a lump sum payment to be allocated among such "adjustments". Having regard to the fact that the main wage issue is far from settled, it is difficult to recommend any given amount for such purpose at this time; such a lump sum amount, in my view, can only be recommended after the main or basic wage hike is negotiated and agreed upon by the parties.

Part II (o)

The union's 30th request was: Amend the agreement to provide that cashiers will be responsible for not more than 25% of their shortages.

The cashiers are currently responsible for all shortages (which the Board was assured were never large), while overages (which are similarly never large, and often due to mechanical error) accrue to the company. The union before the Board suggested that overages be used to offset shortages, which the company also rejected as impractical.

The Board, while not agreeing with the company that the union's request is "little short of a 'licence to steal'," does agree that hotel cashiers have a responsibility for "the revenue entrusted to them and this cannot be avoided." The union had no documentation to suggest that existing practices put any unreasonable burden on the employees concerned, and the Board thus had before it no real evidence on which to recommend a change. The board recommends

(o) that the union's request regarding cashiers' shortages be rejected.

Report of Board of Conciliation and Investigation established to deal with dispute between:

Canadian National Hotels Limited (Fort Garry Hotel)

and

Canadian Brotherhood of Railway, Transport and General Workers

The Board was under the Chairmanship of W. Scott Wright, Q.C., of Winnipeg, appointed by the Minister of Labour in the absence of a joint recommendation from the other members of the Board, Robert H. McKercher, Q.C., of Saskatoon and W. Kennedy of Winnipeg, who were previously appointed on the nomination of the company and union, respectively. The report was received by the Minister during March.

The Board held a preliminary meeting on December 29th, 1971, when the parties were represented, then met on January 24th, 25th and 26th, 1972, with the parties, and finally met and conciliated for approximately eighteen hours without interruption on February 28th, 1972.

Subject to one qualification in respect to the recommendation re: wages the Board now unanimously reports and recommends as follows:

Item No. 1 – Proposal of Union

Article 3.1. Amend by adding after the word "employee" on the third line the words "and/or part time employee".

Recommendation of Board –

No change in view of recommendation re Item No. 2.

Item No. 2 – Proposal of Union

Article 3.12. Delete and substitute the following. "In accordance with the constitutions of the Canadian Brotherhood of Railway, Transport and General Workers, an employee working less than 60 hours in a calendar month or such other number of hours as may be from time to time specified by the Constitution, shall receive a refund of his dues paid for that month upon application in writing to the Local Union".

Recommendation of Board –

Amend Article 3.12 to provide that a part time employee shall have Union dues deducted where such employee works 60 hours or more in any calendar month.

Item No. 3 – Proposal of Union

Article 4. To be amended to reflect one seniority group in the Hotel.
Article 4.11. Delete.
Article 4.12. Delete.
Article 4.13. Amend to provide for four (4) days notice.

Item No. 4 – Proposal of Union

Article 5. To be amended to reflect one seniority group in the Hotel.

Recommendation of Board –

Amend Articles 4 and 5 to reflect one seniority group; otherwise no change.

Item No. 5 – Proposal of Union

Article 6.4. Delete the word "three" in the second line and substitute the word "two".

Item No. 6 – Proposal of Union

Article 6.5. Delete the word "three" on the second line. Further amend by deleting the words and figure "seventy-five cents" (75¢) on the fifth line, and substitute "one hours pay per day".

Recommendation of Board –

Amend to change three tours of duty to two tours of duty where required in Article 6.4 and Article 6.5; otherwise no change.

Item No. 7 – Proposal of Union

Article 6.6. Amend by adding the following – "and shall be between the end of the third and the beginning of the sixth hour of work".

Recommendation of Board –

No change.

Item No. 8 – Proposal of Union

Article 6.8. Delete "straight time" and substitute "double time".

Recommendation of Board –

No change.

Item No. 9 – Proposal of Union

Article 6. Add New Clause. "Premium payment of twenty cents (20¢) per hour in addition to their existing hourly rate shall be paid to all employees for work performed on regular shifts or tricks between the hours of 6 p.m. and 6 a.m. and on Sundays".

Recommendation of Board –

No change. (No New Clause).

Item No. 10 – Proposal of Union

Article 7.1. Delete the words "one and one-half" and substitute the words "double time".

Article 7.5. Amend to provide a minimum of four hours (4) at double time.

Article 7.7. Delete the figures $1.25 and $1.50 and substitute the figures $3.00 and $4.00.

Recommendation of Board –

No change in respect to Article 7.1 and Article 7.5 but Article 7.7 should be amended to provide for a 25¢ increase thus $1.25 becomes $1.50 and $1.50 becomes $1.75.

Item No. 11 – Proposal of Union

Article 8.6. Amend to provide for a minimum of four (4) hours at double time.

Recommendation of Board –

No change.

Item No. 12 – Proposal of Union

Article 10.7. New Article. "It is agreed that the minimum wage provisions of the Canada Labour (Standards) Code are applicable to the persons employed in the Fort Garry Hotel, and such minimum wage provisions shall be effective July 1, 1970 in the manner prescribed by the Code."

Recommendation of Board –

No change (no new clause) but Company to provide to Union a letter in form attached and marked Exhibit "A".

Item No. 13 – Proposal of Union

Article 11.4. Amend to provide for two (2) days off duty and double time.

Recommendation of Board –

No change.

Item No. 14 – Proposal of Union

Article 12. To be amended to provide for the following:–

Three weeks vacation after eight years service.

Four weeks vacation after fifteen years service.

Five weeks vacation after thirty years service.

Recommendation of Board –

Amend Article 12 to provide three weeks vacation after eight years service; otherwise no change.

Item No. 15 – Proposal of Union

Article 14.1. Add the following: "Investigation in connection with alleged irregularities will be held as quickly as possible. An employee may be held out of service for investigation (not exceeding three (3) working days). He will be given at least one (1) day's notice of the investigation and notified of the charges against him. This shall not be construed to mean that a proper officer of the Company, who may be on the ground when the cause for investigation occurs, shall be prevented from making an immediate investigation. An employee may, if he so desires, have the assistance of one (1) or two (2) fellow employees, or

accredited representatives of the Brotherhood, at the investigation. Upon request, the employee being investigated shall be furnished with a copy of his own statement, if it is made a matter of record at the investigation. The decision will be rendered with ten (10) calendar days from the date the statement is taken from the employee being investigated. An employee will not be held out of service pending the rendering of a decision, except in the case of a dismissible offence. If the decision is considered unjust, an appeal may be made in writing within fourteen (14) calendar days in accordance with the Grievance Procedure. Such appeal shall set forth the grounds upon which it is made. The hearing on appeal shall be granted and a decision rendered as quickly as possible. On request, the Regional Vice-President of the Brotherhood shall be shown all evidence in the case.

Should an employee be exonerated he shall be paid at his regular rate of pay for any time lost one (1) day for each twenty-four (24) hours, less any amount earned in other employment. If away from home he shall, on production of receipts, be reimbursed reasonable expenses for travelling to and from the investigation.

Step 1. – Amend by adding after the word "employee" on the first line "Local Chairman or his Representative", and further amend by deleting the word "three" on the second line and substitute the word "seven".

Recommendation of Board –

Amend Step 1 of Article 14.1 to make it clear that either the Employee or a Representative of the Union (including the Local Chairman) can present the grievance, and to change "three calendar days" wherever that phrase appears to "five calendar days"; otherwise no change.

Item No. 16 – Proposal of Union

Article 16. Amend by adding:

"Training During Normal Working Hours"

An employee required by the Company to take training during his normal working hours will be paid his regular rate of pay while in training.

"Training Outside Normal Working Hours"

An employee required by the Company to take training outside his normal working hours will be compensated at his regular rate of pay while in training, except that, on any day when the Company requires an employee to take training in addition to working on his regular assignment, he shall be compensated for all such combined time, in excess of eight (8) hours at double time rates.

"Voluntary Training"

Where training facilities are provided by the Company on a voluntary basis an employee taking advantage of such training will not be compensated.

Recommendation of Board –

Amend Article 16 by adding a new Section 16.2 as per the above Union proposal except that the second paragraph of said proposal under the heading "Training Outside Normal Working Hours" shall read:

"An Employee required to take training outside his normal working hours will be compensated at his regular rate of pay while in training".

Item No. 17 – Proposal of Union

Article 17. An employee who is summoned for jury duty and is required to lose time from this assignment as a result thereof shall be paid for actual time lost with a minimum of one basic days pay at straight time rate of his position for each day lost to a maximum of 60 days.

Recommendation of Board –

No change.

Item No. 18 – Proposal of Union

Article 19. Health and Welfare. To be amended to provide the following:– "The same benefits as achieved during negotiations between the non-operating Unions and the Canadian National Railways, namely a monthly allowance for married employees of $11.50 and for single employees $5.50 towards the cost of Medicare coverage. Weekly benefits to be increased to approximately $80.00 per week, life insurance to $4,500.00 with a $500.00 paid up policy upon retirement.

Recommendation of Board –

No change. (It is noted here that under the terms of the existing provision the Union is entitled to benefits under the benefit plan and all amendments made to the said plan. This appears to include life insurance to $4,500.00 and weekly benefits of approximately $80.00 per week.)

Item No. 19 – Proposal of Union

Article 20.7. Amend by adding "the distribution of gratuities to be 85% to schedule employees and 15% to non schedule employees".

Article 20.9. To be amended to add brother-in-law, sister-in-law in the list of relations for bereavement leave.

Recommendation of Board –

No change.

Item No. 20 – Proposal of Union

Schedule "A". Section I, Group "B"

Food Checkers rate to be increased to the same as restaurant cashier's rate.

Section VII. Group "A"

Laundry Helper. Classification to be changed to reflect duties.

Section VIII. Group "A"

All positions to receive the same rate of pay as an electrician.

Section VIII. Group "B"

Classification of Painter to receive the same rate as an electrician.

Recommendation of Board –

No change except under Section VII Group "A" of Schedule "A" the description of "Laundry Helper" to be changed to "Laundry Operator".

Item No. 21 – Proposal of Union

NEW ARTICLE – Sick Leave

All employees covered by this Agreement shall begin to accumulate sick leave at the rate of one and one-half days per month. The rate of pay during sickness shall be at the employee's existing hourly rate of pay for the position worked

at the time of sickness. Any unused credits shall be paid to employees in a lump sum upon retirement or a separation from Company service.

Recommendation of Board –

No change. (No New Clause).

Item No. 22 – Proposal of Union

NEW ARTICLE – Bilingualism

This Agreement shall be amended to provide that no positions will be established or designated as being a position requiring a knowledge of the two Official Languages without prior agreement with the Union on any such positions so agreed to, the incumbent will be paid a premium of 10% of the basic rate of that position.

Recommendation of Board –

No change. (No New Clause).

Item No. 23 – Proposal of Union

Article 11. Amend by adding "Remembrance Day".

Recommendation of Board –

No change.

Item No. 24 – Proposal of Union

Schedule "A". All rates of pay to be increased by 15%.

Recommendation of Board –

Schedule "A" of Agreement to be amended effective August 1st, 1971 by adding to all the rates for classification set forth therein the sum of 14¢, and effective August 1st, 1972 adding to the rates for classification then existing an amount equal to 6%.

Item No. 25 – Proposal of Union

Article 21. To be amended to provide for a one year Agreement.

Recommendation of Board –

Amend Article 21.2 to change August 1st, 1969, to August 1st, 1971, and July 31st, 1971, to July 31st, 1973.

Item No. 26 – Proposal of Union

NEW ARTICLE. "That the Company agrees to provide the Union with a detailed job description and duties of each position covered by the Collective Agreement".

Recommendation of Board –

No change. (No New Clause).

It is also recommended that the Company provide to the Union by letter a statement in writing to the following effect:

"Pursuant to the position we have taken we hereby confirm that we will recognize that Provincial law applies to the employees subject to this Agreement, unless and until a Canadian Superior Court holds otherwise and is not reversed on Appeal".

15th day of March, A.D. 1972.

(Sgd.) W. Scott Wright,
Chairman.

W. Kennedy,
Member

R.H. McKercher,
Member

Except with respect to the recommendation re: wages under Item No. 24 above.

I recommend that Schedule "A" of the Agreement be amended effective August 1st, 1971, by adding to all the rates for classification set forth therein the sum of 13¢, and effective August 1st, 1972, adding to the rates for classification then existing an amount equal to 6%.

Dated this day of March, A.D. 1972.

R.H. McKercher, Member.

Exhibit "A"

December 21st, 1970

Mr. J.R. Grealy
Accredited Representative
Canadian Brotherhood of Railway, Transport and General Workers
2639 Marble Crescent
Ottawa 8, Ontario

Dear Mr. Grealy:

This will confirm our understanding during negotiations of the Chateau Laurier Hotel Agreement.

If the Courts determine that the minimum wage provisions of the Federal Canada Labour (Standards) Code are applicable to the persons employed in the Chateau Laurier Hotel, such minimum wages provisions will be applied effective July 1, 1970 in the manner prescribed by the Code.

Yours truly,

(Sgd.) General Manager.

March 9, 1972

Richardson & Company,
Barristers and Solicitors,
274 Garry Street,
Winnipeg, Manitoba R3C 1H5

Attention: W. Scott Wright, Q.C.

Dear Sirs:

Re: In the matter of the Canada Labour Code (Part V) and a dispute affecting Local 272 of the Canadian Brotherhood of Railway, Transport and General Workers, and Canadian National Hotels Limited (Fort Garry Hotel), Winnipeg, Manitoba

I apologize for being tardy in my reply but have been out of my office.

In connection with your draft Report, it would seem to me that your proposed disposition is satisfactory, save with respect to three items:

1. Re Item No. 3 – In my view, the wording in the contract concerning Article 4.13 should remain as it exists now for the following reasons:

(a) The union's request is a railway demand as explained in page 8 of their Brief,

(b) The Union, advancing this demand, is gearing its arguments to railway practices and in my view, railway practices have no place in a hotel industry,

(c) During the negotiation processes of the Board, and I refer to the eleventh hour negotiations, this demand has been dropped by the Union,

(d) Other C.N.-Union contracts contain the wording that presently exists in Article 4.13, and the evidence at this hotel, is that the lay-off procedures have been fairly and reasonably applied. I am not at all certain that the proposed recommendation in the Majority Report would in fact perform a service for the employees in the future.

2. Re Item No. 24 – Wages. In my view, the Company presented a pretty sound case to the Board that there was simply no justicication for a greater wage increase than the sum eventually settled upon at the last negotiations. During the Board negotiations this time, there were a number of proposals made, including proposals at 11¢ plus 11¢. This proposal of 11¢ plus 11¢ is in the ball park of settlement, in my view, having regard to the stiffer competition the hotel now faces in Winnipeg and the fact that its competitors are not unionized. The figure of 14¢ represents a possible compromise figure only and is not related, in my opinion, to the evidence before the Board. While the level of increase is necessarily a matter of opinion, in my view relating this contract to the last contract and the circumstances now existing in the operations of the hotel, it is my recommendation that an award of 11¢ the first year and 11¢ the second year, be implemented. To put the matter another way, the Union was not able to point to the competitors of the hotel paying any wage rates in excess of the present contract and certainly, not with the contract plus the recommended additional 11 plus 11.

3. At page 10 of the draft Report, the proposed letter seems to be somewhat contradictory having regard to the fact that Exhibit A represents a letter of understanding, if you will, concerning the application of Federal Canada Labour Standards. Again, I am not at all certain that the Union really wants a contractural commitment from the Company that Provincial Law applies and this kind of a letter, as recommended on page 10 of your draft Report, comes pretty close to that type of an arrangement.

For the foregoing reasons it would seem to me that if you and Mr. Kennedy are still as high as 14¢ on the first year, that you should accept this letter as my report to be read together with your own report and which letter, of course, dissents on the matter of the proposed wage increase.

I look forward to hearing from you again in due course.

Sincerely yours,

WEDGE, McKERCHER, McKERCHER & STACK

Per:

RHM/amf

(Sgd.) R.H. McKercher

CANADA LABOUR RELATIONS BOARD

Reasons for Judgment in Application for Certification Affecting

General Truck Drivers and Helpers Local Union No. 31 and General Teamsters Union Local 362, of the International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers of America **(Applicants)**

and

Loiselle Transport Limited **(Respondent)**

The Board consisted of A.H. Brown, Chairman, and E.R. Complin, J.A. D'Aoust, Donald MacDonald, Gérard Picard, R.C. Smith and W.T. Wilson, Members. The Judgment of the Board was delivered by the Chairman.

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1. The Respondent is a corporate commercial common carrier engaged in inter-provincial hauling of freight by road transport between points in the provinces of British Columbia and Alberta and in the Yukon Territory.

2. The Applicants apply to be certified as the bargaining agent for a unit of employees of the Respondent described in their application to this Board as consisting of all employees of the Respondent including owner-operators working at and from Dawson, Fort St. John, Fort Nelson, Hudson Hope, B.C. and Watson Lake and Whitehorse, Yukon Territory, and Edmonton, Alta., excluding office and sales employees.

   Described in terms of the classifications of employees on the payroll of the Respondent at the date of the application and as clarified by the parties in discussions with the Board's Investigating Officer the proposed bargaining unit for which the Applicants seek certification as bargaining agent consists of persons employed by the Respondent classified as pick up and delivery driver, line driver, mechanic, tireman, working agent, lease operator, and excluding persons classified as operations manager, terminal manager, non-working agent, warehouse foreman, maintenance shop foreman, fleet supervisor, dispatcher, office and sales employees.

3. Based upon the report of the Board's Investigating Officer following his check of the payroll records of the Respondent and the membership records of the Applicants the Board finds that as at the date of the application for certification there were 96 employees of the Respondent in the said bargaining unit (apart from lease operators) of whom a majority were members

in good standing of the Applicants and, as of the same date, there were 17 lease operators in said unit of whom a majority were members in good standing of the Applicants.

While the Respondent in its initial reply to the application opposed the inclusion of the lease operators in the bargaining unit and requested a hearing on the application, it advised the Board subsequently that it had withdrawn its opposition to the inclusion of the lease operators in the unit and withdrew its request for a hearing on the application.

4. The Applicants and the Respondent have been parties to a collective agreement entered into between Canadian Freightways Limited, Loiselle Transport Limited, Millar & Brown Ltd., and Little Chief B-Line Express Ltd. as parties of the first part and the Applicants and Chauffeurs, Teamsters and Helpers Local Union No. 395 and General Teamsters Union Local 181 and General Drivers, Warehousemen and Helpers Local Union No. 979, of the International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers of America, as parties of the second part effective as from January 1, 1968, and revised April 9, 1970, for a term expiring December 31, 1971. This agreement in its effect as between the Applicants and the Respondent covers all of the employees of the Respondent included in the bargaining unit for which the Applicant seeks certification as bargaining agent by its present application other than the lease operators. Article 2, section D, subsection (1) of this collective agreement under the head "OWNER-OPERATORS" is as follows:

"(1) Every motor vehicle and every piece of mobile equipment used by the Company, categories of which are set out in Appendices 'A' and 'B', whether owned by or hired by the company or leased to or by it or howsoever, shall be operated by employees of the Company, members of the union, unless:

a. Such owner (lease) operator becomes and remains a member of the union in good standing, and

b. Receives equivalent wages and benefits as provided herein to employees of the Company when operating on a parallel run in addition to an agreed upon equipment rental as arranged between himself and the Company."

5. The trailers used by the Respondent in its freight hauling operations to carry the freight transported by the Respondent are owned by the Respondent. All the road haul tractors utilized by the Respondent to haul its trailers in the transport of freight are owned by the Respondent except those tractors secured for such transport purposes under individual written agreements entered into between the Respondent and the owners thereof who are designated as lease operators. These agreements between the Respondent and the lease operators are uniform in their terms and a copy thereof has been provided by the Respondent to the Board for its consideration in the disposition of the application. The Board observes that under the terms of this agreement between the lease operator and the Respondent, *inter alia,* drivers of the lease operators' tractors must be members in good standing of the Applicants and will be paid by the Respondent according to the collective agreement between the Respondent and the Applicants, and payments made to the lease operator for rental of the tractor equipment shall be accepted in full compensation for the hire of the equipment. Rates for rental of the tractor equipment shall be at rates specified therein for line haul per running mile, and the lease operator shall pay all equipment repairs, maintenance, fuel, oil and all other expenses incurred in the operation of the equipment. The lease operator or any driver authorized by the Respondent to drive the tractor is required to comply with the rules of the Respondent from time to time in effect and the leased tractor equipment is to be used exclusively for haul of the Respondent's trailers.

6. Upon consideration of the information furnished to the Board by the parties to this application the Board is of opinion that these lease operators are employees of the Respondent within the meaning of Part V of the Canada Labour Code.

7. In the disposition of an application made by the present Applicants to be certified as bargaining agent for a unit of employees of Canadian Freightways Limited, another commercial common carrier engaged in inter-provincial and extra-provincial hauling of freight by road transport in Western Canada, this Board held in Reasons for Judgment issued on January 18, 1972, that the owner-operators whose tractors and services as drivers were utilized by the company under contract in its road freight haul operations were employees of that company but were not appropriate for inclusion in the bargaining unit for which the Applicants therein sought certification as bargaining agent in view of the opposing interests between them and the line driver employees of the company in the unit.

In a number of other cases where the Board has held owner-operators to be employees, it has found them to be inappropriate for inclusion in a bargaining unit comprised of line haul drivers employed by the same employer.

8. In the processing of the present application, the lease operators who were given due notice of the application and of their right to file an intervention with the Board in event they wished to oppose their inclusion in the proposed bargaining unit, have not intervened to oppose the application. Nevertheless, the Board is of opinion on the information before it that the lease operators are not appropriate for inclusion in the bargaining unit for which the Applicants seek certification as bargaining agent in view of the conflict of interests between them and the line driver employees of the Respondent of a nature evident in the Canadian Freightways case cited above to which the Applicants were a party.

9. (1) Accordingly the Board finds

(a) that the Applicants are trade unions within the meaning of Part V of the Canada Labour Code; and

(b) that the following described unit of employees of the Respondent is appropriate for collective bargaining, viz., pick up and delivery driver, line driver, mechanic, tireman, and working agent, excluding operations manager, terminal manager, non-working agent, warehouse foreman, office employees, sales employees, maintenance shop foreman, fleet supervisor, dispatcher, and lease operator; and

(c) that a majority of the employees in the said bargaining unit are members in good standing of the Applicants.

(2) The Board directs that an order issue certifying the Applicants as bargaining agent for the bargaining unit of employees of this Respondent which the Board has thus found to be appropriate for collective bargaining.

10. While the Board has considered the lease operators to be inappropriate for inclusion in the above bargaining unit found by it to be appropriate for collective bargaining, the Board is of opinion that a separate unit comprised of lease operators employed by the Respondent is appropriate for collective bargaining but that a vote by secret ballot should be taken of the employees in this unit to ascertain their wishes as to the selection of the Applicants as their bargaining agent and directs that such vote shall be taken under the direction of the Chief Executive Officer of the Board.

(Sgd.) A.H. Brown,
Chairman for the Board.

Dated at Ottawa, February 14, 1972.

If undelivered return to:
Canada Department of Labour, Ottawa
K1A 0J2

CA1L-C52

CONCILIATION BOARD REPORTS
together with
CLRB REASONS FOR JUDGMENT

No. 3, 1972



Conciliation Board Reports in disputes between:

The Pelee Shipping Company Limited and Seafarers' International Union of Canada

Cape Breton Development Corporation (Coal Division) and Canadian Brotherhood of Railway, Transport and General Workers, Local 509 and Local 504

Reasons for Judgment in Applications affecting:

General Drivers and Helpers Local Union No. 31 and General Teamsters Local Union No. 362 of the International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers of America and Shorty's Transport Ltd.

National Association of Broadcast Employees and Technicians and CFTO-TV Limited and International Alliance of Theatrical Stage Employees and Moving Picture Machine Operators of the United States and Canada Motion Picture Studio Production Technicians, Local 873

CANADA DEPARTMENT OF LABOUR

Hon. Martin O'Connell, Minister

Bernard Wilson, Deputy Minister

Report of Board of Conciliation and Investigation established to deal with dispute between:

The Pelee Shipping Company Limited
and
Seafarers' International Union of Canada

The Board was under the Chairmanship of Thomas C. O'Connor of Toronto, appointed by the Minister of Labour on the joint recommendation of the other members of the Board, D. Churchill-Smith, Q.C., of Toronto and John McCuaig of St. Catharines, who were previously appointed on the nomination of the company and union, respectively. The report was received by the Minister during March.

The Board met the parties in Toronto, Ontario on December 14, 1971 and January 28, 1972.

Recommendations of the Board of Conciliation

The parties advised that a number of matters had been agreed to in direct negotiations and with the Conciliation Officer, however, the Conciliation Officer in his report of September 7, 1971 stated:

"As the dispute involves the amount of money, and the term, and as the Company has to substantiate their monetary arrangement with the Canadian Maritime Commission prior to an increase in subsidy it is my opinion that a Board would not serve a useful purpose and recommend that one not be established."

Nevertheless, we are of the view that a recommendation on the term of agreement and the direct wages for the Deckhands would be of assistance to the parties and accordingly we recommend an agreement of one year's duration from the date of the release of this award and a rate of $301.21 per month for Deckhands.

Signed this 22 day of February, 1972.

(Sgd.) D. Churchill-Smith, Q.C.

T.C. O'Connor,
Chairman

St. Catharines, Ont.,
March 20, 1972.

TO: Messrs. T.C. O'Connor and D. Churchill-Smith

FROM: John K. McCuaig

The following is my report and recommendations in regard to the dispute between The Pelee Shipping Company Limited, St. Thomas, and the Seafarers' International Union of Canada:—

On December 14, 1971, all parties agreed that the outstanding clauses to effect a contract were the monetary issues, consisting of wages, term, welfare plan and portable pension plan. The Union, after their original demands were reduced, proposed the Owen Sound Transportation Co. Ltd. contract to the Pelee Shipping Co. The contract, it may be noted, runs effective June, 1969, to May 31, 1972. It is a contract that has been established over the years for a particular segment of the industry, i.e. a subsidized car-passenger ferry operation in the Province of Ontario. Unfortunately, The Pelee Shipping Company engaged in a similar operation, wished to sign a three year agreement on the Owen Sound 1969 scale wages but with no benefits.

It may also be noted, that through the two meetings, the Company stated that no settlement could be effected until their negotiations for an increase in subsidy with the Government were finalized. As well, there was no mention by the Company that there was another source of revenue i.e. the tariff charged the public whom availed themselves of the service provided by said Company. As a rule of thumb, normal increased operating costs are passed on to the general public for the product purchased.

For your consideration, I hereby summarize as follows:—

1. WAGES. The wages proposed by the Chairman for deckhands. I agree, with the proviso that related ratings are paid in accordance with the current Owen Sound Agreement.

2. TERM. I agree with the Chairman for an initial agreement of one year from the release of this award.

3. WELFARE PLAN. Having some knowledge of the industry, all marine unions and management since 1957, have established a welfare plan for the employees' benefit. It also can be stated, that management in Canada, with organized or unorganized employees, have supplied some form of supplement to the available Provincial and Federal health schemes — whereas, The Pelee Shipping Company has never offered an alternative.

4. PORTABLE PENSION PLAN. The Plan has been established on a portable basis in the industry, with voluntary election for participation by the employee concerned. The wages suggested and the standard employee deductions of income tax, Canada Pension, unemployment insurance and the combined Ontario Medical-hospital premiums would certainly make an employee think twice to have $3^1/_2\%$ of his basic salary also deducted. I believe there would be no monetary cost to the Company but the clause is already an established basic standard, along with welfare plans in all marine contracts.

In conclusion, it is my opinion, that the Seafarers' International Union of Canada has tried its utmost to conclude an agreement since being certified as bargaining agent for the employees of The Pelee Shipping Company Limited, on June 4, 1971.

It is my opinion that the Company's position has been one of lack of consideration on behalf of their employees and the Canadian taxpayer.

All of which is respectfully submitted,

(Sgd.) John K. McCuaig,
Member of the Board.

Report of Board of Conciliation and Investigation established to deal with dispute between:

Cape Breton Development Corporation (Coal Division)

and

Canadian Brotherhood of Railway, Transport and General Workers, Local 509 (representing technical employees) and Local 504 (representing clerical employees)

The Board was under the Chairmanship of Judge W.A.D. Gunn, Provincial Magistrate's Court of Nova Scotia, Halifax, appointed by the Minister of Labour on the joint recommendation of the other members of the Board, J. William E. Mingo, Q.C., of Halifax and Professor John Nicholson of Sydney, who were previously appointed on the nomination of the company and the union locals, respectively. The majority report, which under the Canada Labour Code (Part V — Industrial Relations) is the report of the Board, was made by the Chairman and Mr. Nicholson. A minority report was submitted by Mr. Mingo. The report was received by the Minister during May.

On Wednesday the 29th of March, 1972 the Board, met with the representatives of both parties. The purpose of the meeting was to endeavour to effect agreement between the parties on the matters on which they have not agreed. The matters in dispute for both locals are the same with the exception that Local 504 is concerned about 'shift differential.'

It will be noted the Collective Agreement for Local 504 is effective from the 1st day of August, 1970 until the 31st day of July, 1971 and shall therefor continue for a further period of one year unless notification is given by either party in writing in accordance with the Industrial Relations & Disputes Investigation Act. The Collective Agreement for Local 509 remains in full force from August 1st, 1970 until 12.01 A.M. August 1st, 1971 and shall be renewed automatically from year to year thereafter unless one of the parties gives to the other party within 60 days of the expiry date of the agreement notice of its intention to terminate or seek amendments to the agreement.

Vacations

At the present time under the Collective Agreement for Local 504 there is a three-week vacation with pay after one year's service and up to 20 years' service or four weeks' vacation with pay after 20 years' service. It was agreed by us there should be four weeks' vacation with pay after one year's service effective August 1st, 1972.

Dealing with Local 509 we agree that in the year commencing August 1st, 1972 there will be four weeks' vacation with pay after one year's service.

Hours of Work and Overtime

Hours of work and overtime were discussed and we came to the conclusion they shall remain the same as set forth in Article 6, paragraph 6.01 and 6.02 in the Collective Agreements for Locals 504 and 509, said Collective Agreements being exhibits U-1 and U-2 and which are as follows:

Article VI

6.01 The hours of work shall be seven (7) hours per day, thirty-five (35) hours per week; or eight (8) hours per day, forty (40) hours per week, in the respective categories where such hours now exist.

6.02 Overtime at the rate of time and one half the employee's regular rate will be applicable after seven (7) hours of work per day, thirty-five (35) hours of work per week, or eight (8) hours of work per day, forty (40) hours of work per week in the respective categories where such hours now exist.

Premium hours accumulated on a daily basis will not be used for the purpose of calculating premium hours on a weekly basis.

Week End Premium Rate

It was concluded by us that the present premium rate of $5.00 over and above the normal daily rate shall continue for both locals.

When Weekend Premium shall apply

We agree the weekend premium rate shall apply from 7 a.m. Saturday to 7 a.m. Monday.

Retroactivity

Retroactivity will only apply to matters specifically dealt with in this report where made applicable by us.

Wages

This Board met in Halifax, Nova Scotia, on two occasions viz April 11th and April 24th, 1972. Wages were thoroughly discussed, but the members of the Board were unable to agree unanimously as to the amount. However it was agreed by two members that salaries for the members of both locals be increased as follows:

$30.00 per month retroactive to August 1st, 1971
$3.00 per month retroactive to January 1st, 1972
$2.00 per month retroactive to March 1st, 1972

on a twelve month contract.

Shift Differential

As we have recommended the salaries be increased as above stated we agree there will be no payment of shift differential for Local 504 as suggested by the Union representative.

Dated this 25th day of April, A.D., 1972.

(Sgd.) W.A.D. Gunn
Chairman.

John Nicholson.

Minority Report

I have reviewed the report prepared by Judge W.A.D. Gunn and agree that a shift differential should not be introduced at this time and that no change should be made in the existing arrangements for hours of work and overtime, weekend premium rate and the time when this rate applies.

Unfortunately I am unable to concur in his recommendations on wages and vacations.

His recommendation on wages is the equivalent of $32.58 per month over a period of twelve months or an increase of 6.6% of Local 504's weighted average of $493 per month and an increase of 6.1% of Local 509's weighted average of $533 per month. When the cost of the additional vacation is added, the increases are 8.7% and 8% respectively.

The last offer of the Corporation was the equivalent of $28.17 per month over a period of twelve months or an increase of 5.9% of Local 504's weighted average of $493 per month and an increase of 5.5% of Local 509's weighted average of $533 per month.

The usual benchmarks for the settlement of labour disputes in the industrial sector are not applicable here because the Corporation's operations are not profitable and, indeed, accrue deficits at a rate in excess of $2 million per month.

To date these deficits have been financed by grants from the federal treasury, but it is not clear from any information available to this Board how much longer the federal government is prepared to continue this financing, and in my judgment, until the long term stability of its mining operations is assured it is desirable that the Corporation not appear to be exceeding the guidelines that governments at all levels in this part of the country are seeking to adhere to in wage negotiations with their employees.

These guidelines are in the range of 5 to 6% over a period of 12 months and my recommendation is that each member of Locals 504 and 509 receive, retroactively to August 1, 1971, either the Corporation's last offer or a 6% increase, whichever is the greater.

(Sgd.) J.W.E. Mingo

Dated April 29, 1972

CANADA LABOUR RELATIONS BOARD

Reasons for Judgment in Application for Certification Affecting
General Drivers and Helpers Local Union No. 31 and
General Teamsters Local Union No. 362 of the International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers of America **(Applicants)**

and

Shorty's Transport Ltd. **(Respondent)**

The Board consisted of A.H. Brown, Chairman, and E.R. Complin, J.A. D'Aoust, Gérard Picard, R.C. Smith and W.T. Wilson, Members. The Judgment of the Board was delivered by the Chairman.

Reasons for Judgment

1. The Applicants applied to the Board under date of August 6, 1971, to be certified as bargaining agent for a unit of employees of the Respondent consisting of all employees of the Respondent including owner operators but excluding maintenance employees in Burnaby, B.C., office employees and sales employees. As clarified by the parties at the hearing held by the Board on the application the proposed unit in terms of employee classifications consists of employees of the Respondent classified as driver, and owner-operator. The Respondent objected to the inclusion of owner-operators in the unit as not being employees within the meaning of Part V of the Canada Labour Code.

2. The Respondent is a corporate commercial common carrier engaged in the interprovincial haul of freight between points in the Province of British Columbia and the provinces of Alberta, Saskatchewan, Manitoba and Ontario. Approval has been given also by the British Columbia Public Utilities Commission for the transfer of road transport operating authorities held by Johnston Terminals Ltd., a British Columbia corporation, (which is a subsidiary of another British Columbia corporation namely Johnston Terminals & Storage Ltd.) to the Respondent for the movement by road transport of freight between points in British Columbia and Montreal in the Province of Québec and between points in the Province of British Columbia and points in the states of Washington and Oregon, U.S.A. The transporting of freight under these two operating authorities has been held up pending the approval of applications now before the Québec Transportation Board and the United States Interstate Commerce Commission for the issue of reciprocal operating authorities to the Respondent so as to enable the transport of freight across the provincial boundaries into the Province of Québec, and across the United States – Canadian boundary into the United States. Prior to the approval by the British Columbia Public Utilities Commission of the transfer of all Johnston Terminals Ltd. operating authorities for inter-provincial and extra-provincial transport of freight from Johnston Terminals Ltd. to the Respondent on October 15, 1971, and the subsequent approval of the transfer of reciprocal operating authorities from Johnston Terminals Ltd. to the Respondent by the provincial licensing boards for the Provinces of Alberta, Saskatchewan, Manitoba and Ontario, the scope of the Respondent's operations in the interprovincial movement of freight by road transport had been confined to transport between points in British Columbia, Alberta, Saskatchewan and Manitoba.

3. The Respondent has been a party to a collective agreement entered into by it with the Applicants as bargaining agent covering drivers employed by the Respondent including single

cab and sleeper cab drivers working at or out of points in the Provinces of British Columbia and Alberta and between points in these provinces for a term ending December 31, 1971, which includes the following provision as Article No. 2 Union Security, Section 3 (1) thereof:

> "(1) Except in the case of emergency, every motor vehicle and every piece of mobile equipment used by the Company, categories of which are set out in Appendix 'A' whether owned or leased by the Company shall be operated by employees of the Company, members of the Union, unless:
>
> (a) Such owner (lease) operator becomes and remains a member of the Union in good standing, and
>
> (b) Receives equivalent monetary benefits as provided herein to employees of the Company when operating on a parallel run in addition to an agreed upon equipment rental as arranged between himself and the Company."

4. All trailers used in the haul of freight in the Respondent's road transport operations are leased by the Respondent from Johnston National Leasing Ltd., another subsidiary of Johnston Terminals & Storage Ltd., and the road haul tractors used by the Respondent in its freight haul operations are leased also by the Respondent from the same company except those tractors secured by it for such transport purposes under individual agreements entered into between the Respondent and the tractor owner. These individual agreements are uniform in their terms and conditions and a copy thereof produced in evidence is appended hereto as Appendix I for reference, omitting Schedules A and B to the agreement. The evidence is that some of the owners of these leased tractors are corporations. Under Section 6 of the agreement under the head "Drivers", the tractor owner undertakes to provide a driver and a competent assistant driver for the tractor both of whom shall be approved by the Respondent at its discretion and shall be properly licensed and qualified. The section further provides that "the Owner shall at any time at the request of the Company discharge any driver or assistant for cause." An owner-driver is defined as "An individual Owner who drives and, where the Owner is a Corporation, an individual who is the registered and beneficial owner of one or more shares of the Owner Corporation at the date of this Agreement, and who drives, shall be deemed to be an Owner-Driver." "No Owner-Driver shall be permitted to operate the equipment after notice has been given by the Company to the Owner of his disqualification."

5. Upon consideration of the provisions of the agreement between the Respondent and the Owner of the leased equipment (Appendix I) and the evidence given in respect thereof at the hearing and the arguments advanced by counsel for the parties, the Board is of opinion that the owner-drivers are employees of the Respondent within the meaning of Part V of the Canada Labour Code. The Board is of opinion also that these owner-drivers are not appropriate for inclusion in the same bargaining unit with the other employees in the bargaining unit for which the Applicants seek certification in view of the conflicting interests and relationships between the owner-drivers and these other employees. In a number of other recent cases where the Board has held owner-operators to be employees, it has found them to be inappropriate for inclusion in the same bargaining unit with other driver employees for similar reasons.

6. The Board finds accordingly (a) that a unit of employees of the Respondent consisting of drivers including drivers of road haul equipment leased by the Respondent from the owners thereof but excluding owner-drivers is appropriate for collective bargaining and (b) based upon the report of the Board's Investigating Officer following his check of the payroll records of the Respondent and the membership records of the Applicants at the date of the application and in the light of the evidence given at the hearing, that a majority of employees in said unit which the Board has found to be appropriate for collective bargaining are members in good standing of the Applicants and (c) that the Applicants are trade unions within the meaning of Part V of the Canada Labour Code.

7. The Board directs that an order issue certifying the Applicants as bargaining agent for the unit of employees of the Respondent which the Board has found to be appropriate for collective bargaining.

8. The Board observes that the owner-drivers are members in good standing of the Applicants as is required under the terms of the collective agreement between the Respondent and the Applicants.

   None of the owner-drivers has intervened to oppose the application for certification. While the Board has considered the owner-drivers to be inappropriate for inclusion in the unit which the Board has found to be appropriate for collective bargaining as set forth above, the Board is of opinion that a separate unit comprised of owner-drivers employed by the Respondent is appropriate for collective bargaining but that a vote by secret ballot should be taken of the owner-drivers in this unit to ascertain their wishes as to the selection of the Applicants as their bargaining agent and directs that such vote be taken under the direction of the Chief Executive Officer of the Board.

(sgd.) A.H. Brown,
Chairman for the Board

Dated at Ottawa, March 14, 1972.

APPENDIX I

LEASE AGREEMENT

THIS AGREEMENT made on the _____ day of _____ 19_____

BETWEEN: _____

_____

_____

of _____

as "The Owner"

AND:

SHORTY'S TRANSPORT LTD. (Division of Johnston

Terminals Limited) of 14440-124th Ave. the City of Edmonton in the Province of Alberta.

as "The Company"

WHEREAS the Owner is the purchaser of a certain Tractor, Model No. _____, Serial No. _____, Engine No. _____, under a Conditional Sales Agreement dated the _____ day of _____ _____, 19 _____, from _____

AND WHEREAS the Company is engaged in an interprovincial trucking business between various provinces of Canada and the Owner has agreed to haul trailers used in the Company's business with the hereinbefore described tractor as required from time to time during the term of this Agreement.

AND WHEREAS to ensure that the Owner will well and truly perform this Agreement and at all times during the currency thereof make available to the Company the said tractor, the Owner has agreed to permit the Company to have possession of the said Tractor for the benefit of the Owner on the terms and conditions hereinafter contained.

NOW THEREFORE THIS AGREEMENT WITNESSETH that in consideration of the premises and of the terms, covenants and conditions hereinafter contained and in consideration of the parties hereto entering into and executing this Agreement, the parties hereto covenant and agree with each other as follows:

1. HIRE OF EQUIPMENT AND SERVICES

The Company engages the Owner as an independent contractor and not as an employee to supply the hauling services herein provided and the equipment set out in Schedule "A" to this contract.

2. PERIOD OF CONTRACT

This contract shall continue in full force and effect until terminated by either party in accordance with the provisions of this contract.

3. HAULING AND CARE OF TRAILERS

(1) The Owner shall haul for the Company such trailers as the Company may direct.

(2) The Company will exercise reasonable care to have its trailers or refrigeration units in roadworthy condition.

(3) The Owner may refuse to haul any trailer or refrigeration unit which in fact is not in reasonably good and roadworthy condition but a trailer or refrigeration unit that is accepted by the Owner for hauling shall be deemed to be in reasonably good and roadworthy condition at the same time of acceptance.

(4) The Owner shall see that reasonable care is taken of any trailer or refrigeration unit accepted by the Owner for hauling and the trailer or unit shall be delivered to the Company at the completion of the trip in as good condition as upon acceptance, reasonable wear and tear and damage occasioned otherwise than through the negligence of the Owner or Owner's agent excepted.

(5) The Owner shall notify the Company in writing of any mechanical or other defect in or damage to any trailer or refrigeration unit in the custody of the Owner, immediately the Owner becomes aware of such defect or damage. Defects or damages not properly reported shall be presumed, until the contrary has been established, to be the responsibility of the Owner having custody of the trailer or until at the time of the discovery of the defect or damage, or if there is no Owner then having custody, the responsibility of the Owner last having the custody prior to such discovery.

4. OWNER TO BE INDEPENDENT CONTRACTOR

The Owner is an independent contractor under this contract and is not an employee of the Company and it is the intention of the parties that this contract shall be so interpreted.

5. REMUNERATION

(1) Amount

The Company shall pay to the Owner as full compensation for the hauling services herein provided the applicable sums set out in Schedule "B" to this contract.

(2) Time of Payment

Payment for services rendered in each calendar month shall be made within fifteen (15) days after each calendar month, provided all trip sheets, supporting documents covering purchases charged to the Company and statement receipts have been submitted, and all other reasonable requirements met.

(3) Method of Payment

Payment shall be made by credit of the amount of compensation to the Owner on the Owner's account with the Company, and by remittance to the Owner of the net amount standing to the credit of the Owner on the Owner's account, subject to the deductions and deposits herein provided.

(4) Place and Manner of Payment and Payee

Payment shall be made by cheque payable to the Owner or to such other payee as the Owner may from time to time direct in writing. Cheques shall be mailed to the payee by ordinary mail.

6. DRIVERS

(1) Selection & Qualification

The Owner shall provide a driver and a competent assistant to the driver, both to be approved by the Company at its discretion, and both of whom shall be properly licensed and qualified. It is understood that no driver or assistant will be employed without the prior approval of the Company. The Owner shall at any time at the request of the Company discharge any driver or assistant for cause.

(2) Owner-Driver

An individual Owner who drives and, where the Owner is a Corporation, an individual who is the registered and beneficial owner of one or more shares of the Owner Corporation at the date of this Agreement, and who drives, shall be deemed to be an Owner-Driver.

(3) Disqualification

No Owner-Driver shall be permitted to operate the equipment after notice has been given by the Company to the Owner of his disqualification.

(4) Re-Instatement

An Owner-Driver who has been disqualified as a driver may, after ninety (90) days or more after disqualification and while this Agreement is still in force, apply to the Company for

re-instatement and, if reapproved as a driver by the Company, may resume his position as a driver of the equipment.

7. RULES & REGULATIONS

(1) **To comply with Instructions**

(a) The Owner shall abide by and comply with the instructions orders and regulations issued by the Company from time to time with respect to the use and operation of the equipment and with respect to the delivery of any goods or cargo and in particular and without restricting the generality hereof, shall comply with the drivers' orders from time to time issued by the Company, and in the event of default, the Owner shall be subject to the penalties herein provided.

(b) Failure on the part of the Owner properly to supervise his driver through exercise of his prerogative and authorities as Own responsible for performance under this paragraph shall subject Owner to stated penalties in like manner as though they resulted directly from the actions of the Owner.

(2) **Penalties**

Penalty assessments of loss of despatch rotation will be at the discretion of the Company's Supervisor for failure of the Owner to comply with good operating policies specifically including the following but not necessarily restricted thereto:

(a) Cleanliness of unit unsatisfactory.

(b) Report by motorist of driver's discourteous behaviour.

(c) Failure to perform any requirement outlined in Company Driver's Manual.

(d) Failure to report for despatch within two hours when called.

(e) Failure to follow despatch instructions.

(f) Failure to secure freight properly.

(g) Failure to report accident.

(h) Delay of freight over manual operating hours for causes other than excusable.

(i) Unsafe operation of equipment, speeding, carelessness as observed by Provincial, State, County, Municipal Police or Company officials with the additional penalty of dismissal of driver.

(j) Unsatisfactory mechanical condition resulting from improper care, with the additional penalty of curtailment of operations.

(k) Damage to Company-owned equipment or property due to negligence.

8. MAINTENANCE AND REPAIRS

The Owner is responsible to maintain and keep his equipment in good and sufficient working order. The equipment will be available for inspection by the Company's agent at any time. In particular, the Owner will carry out or cause to be carried out such periodic maintenance, repair parts replacement and regular inspections at times and places designated, and as are reasonably required and designated by the Company or as are directed by the Interstate Commerce Commission or other applicable public regulating body, or as are required under the terms of applicable insurance. The Company will assist the Owner in arranging maintenance, obtaining credit and rectifying erroneous invoices insofar as possible. The Company is expressly authorized to complete at the expense of the Owner such maintenance and repairs as it deems necessary to ensure that the equipment is in good working order.

9. FUEL, LUBRICANTS AND TIRES

All fuel for the equipment shall be obtained by the Owner or his employees at such outlets as are from time to time designated by the Company; such purchases shall be made in accordance with the Company purchase procedure as set out in the Company manual and in the name of the Company but at the expense of the Owner.

10. ROUTING

The Company shall determine and direct all routes over which the Owner shall operate.

11. USE OF TRACTOR

(1) The Owner shall employ the tractor solely and exclusively for the business of the Company.

(2) In the event that the tractor is out of operation for any reason whatsoever the Owner agrees that he shall have no claim against the Company.

12. LICENCES AND PERMITS

(1) **Procurement of Permits**

The Company shall apply for and obtain all operating licences and authorities for the equipment in its own name. All such licences and operating authorities obtained by the Company shall be and remain the sole property of the Company.

(2) **Disposition of Licences, etc.**

All Provincial licences, registrations, fuel permits, P.U.C., P.S.C. and P.C.V. licences, permits and authorities must be turned into the Company upon termination of this contract.

13. INSURANCE

(1) The Company shall maintain at its own expense the following insurances:

(i) third party liability and specified perils cover under a statutory automobile policy form for the tractor and trailers.

(ii) collision cover under a statutory automobile policy form for the tractor and

(iii) carriers' legal liability cover in respect of third party property carried in or on the trailers,

and the Company, subject to sub-clause (3) hereto, shall pay the amount of the deductibles and/or reimbursement agreements under such insurance policies.

(2) The Owner hereby appoints the Company its attorney to make claims in the name of the Company under any policy of insurance in effect covering the tractor without any liability to the Company for making settlement of any claim upon such terms and in such amount as it deems reasonable and proper, AND PROVIDED always that the Company shall not be obliged to lodge or settle any claim by virtue of this clause.

(3) In the event of loss or damage to the tractor, trailer or cargo resulting from the negligence or contributory negligence or wilful misconduct of the Owner, his drivers or assistants so that no recovery or only partial recovery is obtained from third parties and;

(i) in the event of a claim being made under all or any of the above mentioned insurance policies, the Owner

shall pay to the Company by way of contribution towards the amounts deductible under such insurance policies, the amount of the total loss or damage up to a maximum of $1,000 in respect of loss or damage to the tractor, trailer or cargo or all or any of them involved in any one accident or incident involving such loss or damage; or

(ii) in the event that no claim is made by the Company of such insurance policies owing to the small amount of loss incurred in relation to the amounts of the deductibles and/or reimbursement agreements then the Owner shall pay to the Company the amount of the total loss or damage up to a maximum of $1,000 in respect of loss or damage to the tractor, trailer or cargo or all or any of them involved in any one accident or incident involving such loss or damage; or

(iii) in the event that the Company is advised by its insurer that no recovery is possible under the terms of all or any of the said insurance policies then the Owner shall be liable to indemnify the Company for the total of all loss or damage to the trailer and/or cargo and all loss or damage to the tractor shall be for the Owner's account.

14. DESPATCH PRIORITIES

All equipment hauling for the Company, whether owned by it or under contract, shall be despatched in accordance with Company policy in separate categories according to whether it is single axle, tandem axle, single driver or two drivers.

15. ADVANCES

Advances will be made for the Owner's account for the remittance of withholding taxes, Social Insurance deductions, Union check-off dues, Pension Plans and Health and Welfare fees applicable to drivers. These remittances will be made on the Company's regular monthly reports, listing these personnel on a separate report for all Owners but in the name of the Company.

15. ACCOUNTS

(1) Monthly Statement

The Company shall, within fifteen (15) days after the preceding calendar month during which the Owner shall have operated the equipment for the Company, rendering the Owner a statement of the compensation credited and showing any proper deductions therefrom pursuant to this Agreement or otherwise authorized, for the period up to the last day of the preceding month. The Owner shall acknowledge in writing receipt of such statements and shall subject to the provisions of this Agreement, confirm in writing the correctness of such statements as required by the Company. Failure to do so will delay next statement.

(2) Examination of Records

The auditors of the Owner shall be permitted by appointment during normal business hours to examine the books of the Company relating solely to transactions between the Owner and the Company with respect to the equipment.

(3) Correcting Errors

The Owner shall have a period of twenty-five (25) days after receipt of any statement to bring to the attention of the Company any errors or omissions, failing which the Owner shall be deemed to have accepted the statement as correct. If the auditors of the Company find any errors in the accounts, the statements shall be subject to such adjustments as may be recommended by the auditors of the Company to correct such errors.

(4) Delivery of Statements

The statements shall be mailed to the address herein provided for the service of notices upon the Owner.

(5) Deductions

The Owner shall pay and shall indemnify and save harmless the Company against, and the Company may deduct from any moneys payable to the Owner hereunder, all expenses and outgoings made by the Company for, but not restricted to:

(a) Maintenance charges and repairs.

(b) Replacement and repair of tires and tubes.

(c) Driver's salary advances and expenses.

(d) Equipment payments.

(e) Any levies, charges or fines with respect to the operation of the equipment, whether levied by Municipal, County, Provincial, State or other authority, unless caused by the act of default of the Company.

(f) Handling and delivery charges on cargo which are in the ordinary course the Owner's or driver's responsibility.

(g) Any and all fuel or mile taxes, customs duties, sales or education taxes charged against the Company in any Province or State by reason of the operation of the equipment in that Province or State, allocated by the Company to the Owner on an equitable basis.

(h) All reasonable charges to the Owner or to the Company by reason of the equipment with respect to late docking, or other reasonable penalty charges assessed by the shipper, unless caused by the act or default of the Company.

(i) Any deductions by reason of a group insurance plan in which the Owner has in writing agreed to participate or otherwise imposed.

(j) All long distance telephone, telegraph or like expenses resulting from the failure, default or impecuniosity of the Owner.

(k) Administration fees as herein set out.

(l) All other amounts advanced or purchases or expenses made or incurred by the Company for the account of the Owner, pursuant to this Agreement or otherwise.

(m) All legal and other fees and expenses reasonably incurred by the Company in respect of garnishing proceedings served on the Company with respect to claims against the Company.

(n) Any and all Wait, Layover, Work time and subsistence allowances applicable to drivers.

17. ADMINISTRATION FEE

An administration fee for handling drivers' payroll records and remittances, accounting forms, maintenance inspection, I.C.C. reports, fuel tax reports, accident reports and safety programmes will be levied at $30.00 per month.

18. FINANCIAL RESPONSIBILITY

(1) Maintenance of Deposits

To provide security to the Company to ensure the payment by the Owner of his costs and expense and as security for any

advances made or to be made by the Company to or on behalf of the Owner, and as security for any and all moneys which the Owner may from time to time owe to the Company, the Owner will pay to the Company or, at the option of the Company, the Company may from time to time withhold or deduct from the moneys otherwise payable by the Company to the Owner, such amount, or amounts as may be required to create and maintain a credit balance in the Operator's account, of $1,000.00 for each tractor unit for the period of this Agreement and for ninety (90) days thereafter, such credit balance to be held as a reserve and not for current drawings. Such credit balance will be interest bearing.

(2) **Application of Deposit**

The Company may, from time to time and at any time prior to the termination of this Agreement, or within ninety (90) days thereafter, at its option, pay out to or on behalf of the Owner part or all of the credit balance or apply part of all of the credit balance on part or all of such costs and expenses, advances and moneys owing.

(3) **Release of Deposit**

Moneys held for this period will include accrued earnings during the month in which the units cease to be available for despatch. If the Owner fails to turn in all properties, requisitions, etc., remove all Company markings and identification, and otherwise completely comply with termination requirements, the commencement of the ninety (90) day period will be extended until all termination requirements have been complied with.

(4) **Owner Liable Notwithstanding Deposit**

The provisions of this paragraph shall in no way relieve the Owner from paying to the Company any such costs and expenses, advances or moneys owing by the Owner to the Company except to the extent that the same are actually paid and satisfied by the application of the credit balance paid. To satisfy any debit balance remaining after application of credits, the Owner does hereby grant to the Company an equitable charge on the equipment to that amount.

(5) **Credit References**

The Owner shall from time to time as reasonably required by the Company provide the Company with proof that the Owner has sufficient capital to pay all operating costs for a period of 30 days.

19. **LIENS**

The Company may, at its option, pay or discharge money due and owing and secured by any, possessory lien, garageman's lien, satutory lien on claim, mortgage, conditional sale contract or any lien, encumbrance or charge of any kind or nature, with respect to the equipment or use or ownership thereof, and may deduct the same from any moneys in its hands by way of security and may be subrogated to the rights of the holder or holders or payee thereof, and may at its option reimburse itself by applying on the amount so paid by the Company any compensation payable or which may become payable under the terms hereof.

20. **TERMINATION**

(1) **Voluntary Termination**

Notwithstanding anything herein contained, either party may terminate this agreement on giving at any time ninety (90) days' notice in writing to the other.

(2) **Default and Notice**

If the Owner makes default in complying with any of the provisions of this Agreement, and if such default continues for ten days after notice to remedy the default has been given to the Owner, then the Company may terminate this Agreement immediately and without further notice to the Owner.

(3) **Immediate Termination**

The Company may terminate this Agreement immediately and without notice –

(a) If the Owner or his agent carries on or permits to be carried on, or is convicted of carrying on, any smuggling or other illegal operations or business with respect to the equipment.

(b) If garnisheeing proceedings are served on the Company for collection of debts owned by the Owner.

(c) If the Owner, together with any other Owner with whom the Company has a contract, becomes a member of an association without having obtained the consent of the Company in writing.

(4) **Non-Payment**

If the net compensation of the Owner provided in paragraph five is not paid by the Company or credited to the account of the Owner and the balance remitted within ten (10) days from the date on which the same is payable, the Owner may terminate this Agreement immediately upon ten (10) days' written notice to the Company. Any termination of this Agreement by the Owner will not in any way affect the Owner's right to unpaid compensation to which he would otherwise be entitled or to the refund of the deposit as provided in paragraph 19.

21. **MISCELLANEOUS**

(1) The equipment shall be painted such colour and shall bear only such inscriptions and insignia as the Company may direct and in the event of termination, the Owner shall remove all Company identification and repaint the truck.

(2) The equipment will not be used for private conveyance and will be stored at the Company terminal or maintenance shop parking areas when not engaged.

(3) The Owner and Drivers will comply with all laws applicable to carrying goods and merchandise across the Canadian-United States border and applicable to repairs carried out in the United States or applicable to any purchase of anything in the United States.

(4) Neither the Owner nor any Agent of the Owner will solicit freight.

(5) Neither the Owner nor any Agent of the Owner has authority to incur any obligation in the name of the Company except as and when specifically authorized by the Agreement or otherwise in writing prior to the event.

(6) The Owner may not assign this Agreement except with the consent of the Company in writing.

(7) The Owner is the beneficial owner of the tractor and the Company has no interest in the same whatsoever and title to the same shall be and remain in the name of the Company for registration and licence purposes only and upon termination of this Agreement shall revert and be reconveyed to the Owner.

(8) The Owner will not in any wise whatsoever assign, transfer, charge, encumber or hypothecate his interest in and to the

tractor during the continuance of this Agreement without the consent of the Company first had and obtained in writing.

(9) Notwithstanding the death or incapacity of the Owner, the Company may, at its option, continue to use and operate the tractor for a period of ninety (90) days after the death or incapacity of the Owner, PROVIDED THAT the Company shall account in the manner hereinbefore provided for such use of the tractor to the executors, administrators or committee appointed to administer the estate or affairs of the Owner.

22. ARBITRATION

All disputes arising as to the interpretation or application of this Agreement shall be determined by a three-man Board of Arbitration. Each party shall nominate one arbitrator and the two arbitrators so appointed shall nominate the third member who shall be Chairman. All proceedings in relation to or arising of the arbitration shall be in accordance with the laws of the Province of Alberta. Each party shall bear the costs of his or its nominee and the party who loses shall bear the costs of the Chairman and of the proceedings.

23. OPERATING AUTHORITY

During the continuance of this contract and for a further period of one year thereafter, the Owner shall not directly or indirectly seek to acquire or obtain operating authority for any route over which the Company now has or may have from the Company's customers on his own or any other person's behalf. The Owner authorizes the Company to refer this paragraph to any Motor Carrier Board to which the Owner may apply in breach of the provisions of this paragraph.

24. LAW APPLICABLE TO CONTRACT

Except as otherwise expressly provided, the provisions of this contract shall in all respects be construed in accordance with the laws of the Province of Alberta.

25. PREVIOUS OR OTHER AGREEMENTS

This Agreement, upon its execution, shall terminate any and all previous operating agreements, written or oral, between the parties as of the date hereof and all rights and obligations of the parties hereunder shall commence upon execution of this Agreement, notwithstanding any usage of the trade or prior written or oral agreement or understanding.

26. NOTICES

Any notice or other communication contemplated by the provisions of this Agreement may be given by either party mailing the same to the other party by prepaid registered mail to the address as follows:

In the case of the Company:

Shorty's Transport Ltd.,
(Division of Johnston Terminals Limited),
14440 - 124th Ave.
EDMONTON, Alberta

Attention:
In the case of the Owner:

Either party may change such address upon notice to the other party. Any such notice or communications shall be deemed to have been received by the addressee on the second business day following the mailing of the same in a Government Post Office, registered mail prepaid.

IN WITNESS WHEREOF the Corporate Seal of Shorty's Transport Ltd. has been hereunto affixed in the presence of its proper officers duly authorized in that behalf and the Owner has executed these presents all on the day and year first above written.

SIGNED, SEALED AND DELIVERED BY

_____

(Owner)

in the presence of:

_____

(Witness)

THE CORPORATE SEAL OF

_____

(Owner)

was hereunto affixed in the presence of:

THE CORPORATE SEAL OF SHORTY'S TRANSPORT LTD. was hereunto affixed in the presence of:

Reasons for Judgment in Application for Certification Affecting

National Association of Broadcast Employees and Technicians

and

CFTO-TV Limited

and

International Alliance of Theatrical Stage Employees and Moving Picture Machine Operators of the United States and Canada Motion Picture Studio Production Technicians, Local 873

The Board consisted of J. J. Quinlan, Q. C., Vice-Chairman and Acting Chairman, and E. R. Complin, J. A. D'Aoust, Donald MacDonald, Gérard Picard, R.C. Smith, and W. T. Wilson, Members. The Judgment of the Board was delivered by the Vice-Chairman and Acting Chairman.

Reasons for Judgment

This is an application by the National Association of Broadcast Employees and Technicians (hereinafter referred to as NABET) for leave to make an application dated February 29, 1972, for certification as bargaining agent for certain employees of CFTO-TV Limited (hereinafter referred to as the Company) Toronto, Ontario, who are presently represented by International Alliance of Theatrical Stage Employees and Moving Picture Machine Operators of the United States and Canada Motion Picture Studio Production Technicians, Local 873 (hereinafter referred to as IATSE) before the expiry of the six months prescribed in section 8 of the Board's Rules of Procedure in view of the rejection by the Board under date of February 23, 1972, of an earlier application dated December 13, 1971 (Case 7-66-2551). A collective agreement between IATSE and the Company covers the period February 10, 1971, to May 29, 1973.

In the first application NABET and the Company reached agreement on the description of the proposed bargaining unit. Of the 121 employees in the unit proposed, NABET claimed 80 members while IATSE had 77. IATSE as intervener, however, requested inclusion of certain additional employees. A hearing was scheduled for February 16, 1972. Under date of February 9 Counsel for IATSE wrote the Board (with copies being sent to Counsel for NABET and the Company) alleging fraudulent and improper conduct on the part of NABET, namely, that certain employees of the Company claimed as members by NABET had never executed applications for membership or otherwise become members of NABET and had never paid dues or made any other monetary payment to NABET but nevertheless were granted membership therein. On February 14 Counsel for NABET sent a telegram to the Chief Executive Officer of the Board requesting the Board's permission to the withdrawal of the application and asking to be advised of the Board's decision. This was confirmed by letter of the same date. On February 15 Counsel for all parties were advised by telegram that the hearing was cancelled and the parties would be advised in due course of the Board's decision on the request for the withdrawal of the application. After careful consideration of the situation, the Board decided that the request by NABET for permission to withdraw the application be denied and rejected the application for the reason that it was considered to have been abandoned and on February 23 Counsel for all parties were advised accordingly.

On receipt of the second application on March 2 the Chief Executive Officer of the Board advised Counsel for NABET that in view of the Board's rejection of the first application and section 8[1] of the Board's Rules of Procedure, the application would be placed before the Board for consideration. In his reply of March 9 Counsel submitted that section 8 did not operate to affect his client's right to make the application but that if the Board considered the application was affected by its decision of February 23, he requested an opportunity to present evidence and argument. The Board, therefore, directed a hearing be set for April 12 for the sole purpose of presenting evidence and making representations relating to the request for leave to the making of the application and that Counsel for the Company and IATSE also be advised and provided with copies of the application and the above letter of March 9. The hearing subsequently was postponed to May 1, 1972, following receipt of separate requests from Counsel for NABET and IATSE for postponement.

Following receipt of requests from Counsel for the Company and IATSE, Counsel for NABET was requested by the Chief Executive Officer to give a summary of the material facts on which NABET intended to rely when presenting its case in order to facilitate the hearing. By letter dated April 25 Counsel for NABET, in addition to summarizing the material facts which he was prepared to lead in evidence, advised that he would submit among the other things the following:

"(1) There was no basis for the board's decision of the 23rd of February, 1972, when it 'rejected the application for the reason that it is considered to have been abandoned by the applicant.' Plainly, at this time, the applicant had simply requested the board for leave to withdraw its application. This was plain in the applicant's letter to the board of the 23rd of February, 1972. In the circumstances, the board ought to have listed the case for hearing to hear argument and evidence in support of the applicant's request for leave to withdraw or, alternatively, should have proceeded with the hearing of the application on the merits.

(2) A refusal of an application for certification within the meaning of Regulation 8 of P.C. 1954-1727 as amended by P.C. 1966-1168 contemplates some adjudication of the application on the merits. Even assuming that Regulation 8 is relevant, it has no application to bar a second application in the circumstances of this case.

(3) Regulation 8, P.C. 1966-1168 does not apply to applications made under the new Canada Labour Code.

(4) In all the circumstances, the applicant requests the board to reconsider its decision as stated in the letter of Mr. G. A.

[1] "8. Where an application for certification has been refused by the Board, the Board shall not entertain any further application by the applicant for certification in respect of the same or substantially the same unit of employees until a period of six months has elapsed following the date of the decision, except by special leave of the Board where the Board is of opinion that the prior application was rejected on account of a technical error or omission in connection therewith."

Lane, Chief Executive Officer, dated the 23rd of February, 1972, and to permit the applicant to withdraw its first application.

(5) Alternatively, the applicant submits that the board should reconsider its previous decision under Section 163(2) of the Canada Labour Code and permit the applicant to adduce evidence and argument in support of its position that it should be granted leave to withdraw the first application.

(6) Alternatively, in all the circumstances, the applicant should be entitled to bring its present application for certification without the imposition of any bar under Section 8 of the Regulations or otherwise."

Copies of the letter were sent by Counsel to Counsel for the Company and IATSE. In the course of argument Counsel stated he was not pursuing the argument in paragraph number (3).

At the hearing only one witness was called, Mr. K. A. Steel, Regional Director, NABET, who was signatory to the first application on behalf of that Union and his evidence dealt with that application. He stated that he was involved in the organizational campaign on the application with respect to acquisition of membership among employees of the Company. However, no NABET members were directly involved in the organization of the employees, those directly involved being employees in the unit only, it having been decided for reasons not relevant here that all membership applications be handled by employees only and that no NABET members or staff would be involved. Mr. Steel said that in the organizational campaign a briefing meeting was held by him with various employees in the unit at which he explained in some detail the Board's requirements regarding applications and collection of fees. Two individuals involved in the campaign, however, did not attend the meeting. When application for membership cards were obtained, the individuals, in turn were asked if all the money had been collected. Mr. Steel checked the signatures on the cards to make sure they were completed properly and that the money received tallied up. The application was then filed.

Mr. Steel stated that upon receipt of a copy of the letter of February 9, 1972, from Counsel for IATSE in which fraudulent and improper conduct on the part of NABET was alleged, a much more detailed and quite thorough investigation was conducted by going back to those who had obtained the application cards and money and it was found there was a possibility that three people had signed cards without paying the required amount of money; that is, while the correct amount of money in total had been obtained, there were three individuals that the individual organizers could not swear had paid. These had been handled by the two individuals who had not attended the briefing meeting. These individuals had been responsible for nineteen membership applications and in view of the procedure followed by them, it was considered that this raised the possibility of information being inaccurate with respect to these nineteen cards and since it appeared that all requirements of the Board and the Regulations had not been met, it was decided to apply for permission to withdraw the application. Mr. Steel said that prior to the inquiry following the letter of February 9, neither he nor the person from whom he received the money collected had any knowledge of any discrepancies. He also agreed that he could say with certainty that with the exception of the two or three cards referred to, the persons shown on the membership cards had paid money and indicated their willingness to join the Union. He stated therefore that the allegations of fraudulent practices by Counsel for IATSE had formed no part in the decision to seek withdrawal of the application and that in effect the possibility of non-collection of the money in the case of three cards was all that had been discovered.

In accordance with the Board's requirements, Mr. Steel, under date of December 23, 1971, had completed CLRB form 31 in which he reported and certified to the Board, inter alia, that he had produced to the Board's Investigating Officer full and complete membership records concerning the application, that the records produced were up to date and accurate in every respect and:

"3. That all union dues and application fees recorded as received from or paid by any such employees for or within the period commencing on the first day of the third month preceding the calendar month in which the application is made and ending upon the date of the application, as shown on the union records, have been actually made and paid to the union by the said person on his own behalf or on his order; and that all such employees have been accepted as members in good standing of this trade union prior to or as of the date of the subject application for certification;

4. That, where the documentary evidence consists of signed applications for membership and receipts on account of dues or initiation fees, concerning the collection of such dues or fees, and on the basis of such knowledge, I have satisfied myself that the persons signing cards as applicants for membership, and the persons whose names appear on receipts as payees, have actually paid on their own behalf the membership dues or initiation fees attested to by the documents as having been received from them."

Mr. Steel admitted that prior to completing this form he had not spoken to the two individuals referred to but had spoken with the other collectors and the Company employee who might be described as the main organizer who was responsible to him. Mr. Steel received from him the application for membership cards he had obtained from the other organizers, had asked him if the cards had been properly witnessed and the money collected properly, then checked the cards and money and found both accurate. Because of the briefing meeting Mr. Steel assumed that everything had been done according to direction.

With respect to completion of application cards, Mr. Steel stated that the employee organizer or collector who signed up an employee would act as witness both on the card and confirmation of receipt. This aspect of his examination by the Vice-Chairman continued:

"Q When you got that cards then you would see that there were these two members that had not been at the meeting but who had signed cards?

A Yes.

Q Did you at that time inquire from them if they had followed the proper procedures?

A No, I did not."

(Transcript, page 19)

Other than cross-examination of Mr. Steel, Counsel for the Company and IATSE did not call any evidence. Counsel for IATSE said the defects disclosed by the evidence had not formed part of the allegations contained in his letter of February 9, 1972. He stated that he had other evidence of a more serious nature, although not affecting as many cards, but upon receipt of the letter of April 25 from Counsel for NABET prior to this hearing he and his client had made a deliberate decision not to bring forward at this time

Before signing from 31, Mr. Steel had struck out the words "or/or other personal acknowledgements of payment/I have personal knowledge (or I have been diligent inquiries/(inquiries)."

evidence in support of their allegation of improper practices but intended to pursue the matter at a later date. On the basis of the evidence he submitted that the Board had properly rejected the application and opposed removal of the six months' bar on the second application basically on the ground that what had been disclosed was more than a technical error and omission and there was no discretion to remove it. While Counsel for NABET had also requested reconsideration of the Board's decision of February 23, Counsel for IATSE pointed out that the hearing was directed to an application for leave to make the second application but submitted that in any event the same factors would apply to both aspects. Counsel for the Company made the same point with respect to reconsideration but emphasized that the Company's position in the matter was neutral as between the two Unions and said that the matter should be disposed of in accordance with the evidence and statutory requirements. On this basis he submitted that if the Board was of the view that there was or was not more than a technical error or omission, then section 8 of the Board's Rules of Procedure, as the case may be, should or should not apply, but this was for the Board to decide.

Counsel for NABET, in elaboration of the points of argument in his letter of April 25, submitted that the Board's treatment of the first application as an abondonment amounted to the placing of a technical construction on the Union's position and did not deal with any aspects of the merits of the application; therefore, the rejection of the application was based on technical grounds and leave should be granted in respect of the second application pursuant to section 8 of the Board's Rules of Procedure. He also submitted that in the present situation the disclosure of error because of improper procedures was made before the hearing of the first application, which is substantially different from such a situation coming to light in the course of a hearing, and that to refuse leave in the circumstances would impose a penalty on NABET.

In regard to the Board's refusal to grant leave to withdraw the first application and its rejection of that application as hereinbefore referred to, Counsel, in applying for leave to withdraw, neither submitted reasons for so doing nor made any denial of the serious allegations made by Counsel for IATSE in his letter of February 9, which showed that a copy thereof had been sent to Counsel for NABET, nor indicated in any way that he wished to make a further submission. He did make a further submission under date of February 23 which apparently crossed in the mail with the Board's decision of the same date. (A submission opposing the request for leave to withdraw was sent by Counsel for IATSE under date of February 21 but was not received at the Board office until February 24.) In these circumstances the Board does not consider that there was any contravention of the principles of natural justice in proceeding to deal with the application for leave to withdraw on the basis of the material before it. In any event, a hearing has now been held. After considering the evidence and submissions of Counsel, the Board is still of the view that in the circumstances the application was properly rejected. If it had reached a different conclusion in pursuance of its reconsideration, the Board would have taken such action, as it deemed necessary in accordance with its statutory powers, to vary or revoke the previous decision.

With respect to the application for leave to submit the second application, it should be emphasized that at no stage of the hearing was there any suggestion that Mr. Steel had intended or was party to any intent to mislead the Board nor does the Board consider that he did not act in good faith. In the present situation, however, Mr. Steel was aware, or unquestionably should have been aware, that a number of membership applications and the money collected in respect thereof had been handled by two rank and file employees of the Company who had not been properly briefed on the procedures to be followed; yet, before completing form 31, he took no steps to check with these two to ascertain that proper procedures had been followed, although it appears he checked with other organizers or collectors. In signing the form, however, he stated that he had "personal knowledge" of the matters which he was certifying in paragraph 4. This cannot be categorized as a mere slip since the words "have personal knowledge (or I have made diligent inquiries)" had been stroked out and the non-bracketed words had then been initialled by him as "O.K." For an officer of Mr. Steel's experience, his actions can only be described as inexcusable carelessness as he obviously did not have personal knowledge of the matters in this paragraph to which he certified. It is obvious that by at least ordinary inquiries he could have ascertained the true situation by a simple check of the nineteen cards with the two individuals who had not attended the briefing meeting, and it is the Board's opinion that there was, at the very least, responsibility upon him to make inquiry of these two individuals. It seems that in a situation here where organizing and collecting where not being carried out by Union staff familiar with such matters that ordinary prudence would have dictated more in the way of inquiry than Mr. Steel carried out. In any event, there was no basis for his saying he had personal knowledge.

In cases in other jurisdictions and in decisions of this Board, the necessity for care in ensuring the accuracy in certifying the matters referred to in form 31 has been repeatedly emphasized. In 1967 in Reasons for Judgment in Grand International Brotherhood of Locomotive Engineers v. Canadian National Railways 67 CLLC 16,022 at page 1004, delivered by the Chairman of this Board, it was stated:

> " The Board must of necessity rely heavily upon the Applicant to ensure the accuracy and validity of the evidence of membership in good standing produced by the Applicant's representatives to the Board's Investigating Officer and required by the Board in its inquiry and determination of the validity of the membership claims made by the Applicant in its application for certification. . . . As a matter of standard practice the Board requires the senior officer of the applicant union responsible for the production of the union membership records to the Board's Investigating Officer as in the present instance to accept direct responsibility for the accuracy and validity of the membership records so produced and requires the completion by him of a declaration in form 31 cited above the union's behalf. It is the responsibility of the senior officers of the union to bring home to the local officers of the union and organizers under their control engaged in the membership organization and sign-up campaign preceding the application for certification the necessity for complete compliance with the Board's requirements of membership in good standing and the evidence thereof for certification purposes. The measures taken by the union must provide all reasonable assurance to this end."

On the basis of the evidence and argument the Board is of the opinion that the errors with respect to the application for membership cards and payment of moneys are not technical errors or omissions within the meaning of section 8 of the Board's Rules of Procedure but go to the root of the first application and accordingly refuses NABET's request that it entertain the second application before expiry of the six months' period following rejection of the first application. While in the present case the application for leave to withdraw the first application was made immediately prior to the hearing scheduled for February 16, 1972, the Board is of the view that the situation here is somewhat different from a voluntary disclosure prior to a hearing. It is clear that a proper check was not made and errors discovered with respect to the matters hereinbefore referred to until allegations were made by Counsel for IATSE. It is

also relevant that disclosure of the situation was not made until the question of a six months' bar had arisen with respect to the second application, although this could have been revealed at the time the application for permission to withdraw was made.

(Sgd.) J.J. Quinlan,
Vice-Chairman and Acting
Chairman of the Board

Dated at Ottawa, May 26, 1972.

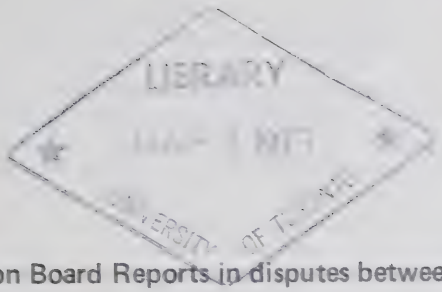
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CONCILIATION BOARD REPORTS
together with
CLRB REASONS FOR JUDGMENT

No. 4, 1972



Conciliation Board Reports in disputes between:

Canadian Pacific Railway Company (S.S. "Princess of Acadia," Bay of Fundy Service) and Seafarers' International Union of Canada

Boyd's Express Ltd., Central Truck Lines Ltd., St-Jean (Iberville) and Brazeau Transport Cie Ltee. and L'Union des Chauffeurs de camions, Hommes d'entrepôts et aides, Local 106

Motor Transport Industrial Relations Bureau of Québec (Inc.) and Transport Drivers, Warehousemen and Helpers Union, Local 106

Maritime Employers' Association and International Longshoremen's Association, Locals 1605, Québec City, and 1657, Montreal

Poole Construction Limited and The United Brotherhood of Carpenters and Joiners of America, Local Union No. 1325

Canadian Transit Company and Teamsters, Chauffeurs, Warehousemen and Helpers, Local Union No. 880

CANADA DEPARTMENT OF LABOUR

Hon. Martin O'Connell, Minister

Bernard Wilson, Deputy Minister

Report of Board of Conciliation and Investigation established to deal with dispute between:

Canadian Pacific Railway Company (S.S. "Princess of Acadia," Bay of Fundy Service)

and

Seafarers' International Union of Canada

The Board was under the Chairmanship of Lorne O. Clarke of Truro, N.S., appointed by the Minister of Labour on the joint recommendation of Professor A. J. Meagher, Q.C., of Halifax and John P. Barry of Saint John, nominees of the company and union, respectively. The unanimous report was received by the Minister during July.

The Board held lengthy meetings with the parties in Saint John on June 25, 26 and July 4 and 5, 1972.

At all these meetings formal presentations were made on behalf of each party. A full opportunity was given to both parties for an exchange of views and opinions on the matters in dispute.

The Board made a diligent effort to endeavour to conciliate the dispute and reach a memorandum of agreement between the parties at the meetings described in the paragraph above. Having failed to do so, hence the necessity of this report which is being submitted by the Board after conferences among the members of the Board subsequent to the conclusion of the meeting with the parties on July 5, 1972. It is the sincere wish of the members of this Board that the recommendations made herein will be accepted by the parties to this dispute and thus resolve the difficulties that have appeared in the labour negotiations between the two.

At the beginning of the hearings, a considerable number of items were placed before the Board as matters in dispute. A number of these items were resolved as a result of the efforts and recommendations of the Conciliation Officer, Mr. C. A. Ogden. Others have been resolved by the parties during the course of the meetings conducted by this Board.

The Board is left with a series of main areas of dispute to which its members have put their minds and its recommendations on these items are hereinafter set forth in the main body of this report.

The Board wishes early to report its gratitude to the parties for their genuine and conscientious efforts to conciliate. In our opinion the parties were completely frank in expressing their views and fair in their differences.

We now present our specific recommendations.

1. **Duration of Agreement**

   We recommend a new agreement between the parties taking effect December 16, 1971 and expiring December 15, 1972.

2. **Wages**

   We recommend existing classifications be increased by eight (8) per cent effective December 16, 1971, based on the rates in effect on December 15, 1971.

3. **Lockers**

   We recommend the item be settled according to the terms agreed upon by Mr. Cardi of the Employer and Mr. McLaughlin of the Bargaining Agent.

4. **Night Lunches**

   We recommend that when unlicensed personnel are required to work overtime after 5:00 o'clock in the afternoon they shall be entitled to a coffee break as closely as possible after two hours work and a meal break as closely as possible after four hours work. The coffee break shall consist of fifteen minutes and the meal break shall consist of thirty minutes. In these circumstances the cost of the meal shall be at the Employer's expense.

5. **Uniforms**

   We recommend Clause 18 (a) of the last agreement shall be amended to read as follows:

   > In cases when uniforms are required by the company for the unlicensed personnel, the cost shall be borne by the company.

6. **Leather Gloves**

   We recommend the employer provide two pairs of leather gloves to each member of the deck crew at the expense of the employer.

   The existing practice of supplying leather gloves to employees in the engine room shall continue.

7. **Health and Welfare**

   During the term of the proposed agreement we recommend no changes in health and welfare provisions from those in the last expired agreement.

8. **Sailing Shorthanded**

   During the term of the new agreement, we recommend no change from the existing provisions in the last agreement.

9. **Hours of Work**

   Effective upon signing the new agreement we recommend hours of work shall be specified to suit the regular schedule of the ship and shall be eight hours per day within a spread of ten and one-half ($10^1/_2$) hours.

10. **Longshore Work by Crew**

    We recommend effective on signing the new agreement:

    (a) Each seaman assigned to the motor vehicle deck to guide, direct, place, secure and lash down oncoming and outgoing motor vehicles and express dollies shall be paid at the freight handlers hourly rate during the time so engaged.

    (b) The employer shall have the right to determine the number and names of the seamen to be assigned these motor vehicle deck duties.

11. **Securing Cargo in Hold**

    We recommend that if cargo or mail is not properly secured by the shore staff before starting a trip, and if the watch on deck are required to do this work, they shall be paid regular

overtime rate. It is to be expressly understood that for the purposes of definition of this recommendation motor vehicles and express dollies are excepted.

12. **Grievance Procedure**

We recommend the language of the grievance procedure clauses and perfected by Messrs. Cardi and McLaughlin be the grievance procedure in the new Collective Agreement.

13. **Work at Sea**

We recommend Clause 32 of the last agreement be deleted. The other provisions of the agreement and the recommendations contained in this report will provide suitable coverage for this item.

14. **Additional Work (37(A))**

We recommend Clause 37 (A) of the last agreement be continued.

15. **Additional Work (37(H))**

We recommend:

(a) "Soogeeing" be deleted from the clause.

(b) Between the hours of 6:00 o'clock in the afternoon and 8:00 o'clock in the forenoon seamen are not required to prime or paint in any place on the ship.

(c) Between the hours of 6:00 o'clock in the afternoon and 8:00 o'clock in the forenoon, seamen may only be required to chip or scale in the interior of the so-called car deck.

16. **Oiler's Duties**

We recommend the parties adopt the provisions negotiated by Messrs. Cardi and McLaughlin for this clause.

17. **Working Spaces**

We recommend Clause 40 (b) of the last agreement be deleted with the proviso that if the SS Princess of Nanaimo returns to the Bay of Fundy Service during the term of the new agreement, the clause shall be revived at the rates appropriate to the terms of the new agreement.

18. **Other Matters in Dispute**

As already indicated, Messrs. Cardi, McLaughlin and Gralewicz have reached agreement on the remaining items in dispute. It is our understanding these items as recorded by them in our presence will be incorporated in the new agreement. Therefore, we have not attempted to record those items in this report.

At the risk of repetition, let us repeat again our gratefulness to the parties for the consideration shown the Board and their helpful attitude in tackling with us, the complex problems which were placed before the Board in its initial stages.

DATED this 17th day of July 1972.

(Sgd.) Lorne O. Clarke,
Chairman and Member

A. J. Meagher,
Member

John P. Barry
Member

Report of Board of Conciliation and Investigation established to deal with dispute between:

Boyd's Express Ltd., Central Truck Lines Ltd.,

St-Jean (Iberville) Transport Cie Ltee and Brazeau Transport Ltd.

and

L'Union des Chauffeurs de camions, Hommes d'entrepôts

et aides, local 106

The Board was under the Chairmanship of Claude Lauzon of St-Jean, Québec, appointed by the Minister of Labour on the joint recommendation of Hubert Pitre and Roger H. de Ginet of Montreal, who were previously appointed on the nomination of the company and union respectively. The unanimous report, which under the Canada Labour Code (Part V – Industrial Relations) is the report of the Board, was made by the three members. The report was received by the Minister during June.

The meeting of the parties concerned was held in Montreal on June 22, 1972, Counsel Jacques Gilbert acting as representative of management, and Mr. Guy Dubuc acting as spokesman for the union.

The members of the Conciliation Board examined a report already submitted on April 2, 1972, by Mr. G. – Rolland Doucet, Conciliation Officer, setting out the matters upon which the parties had been unable to agree and recommending the appointment of a Conciliation Board. This report set out that the parties had been unable to agree on the following Articles of the Collective Agreement: 1.03, 18.01, 19.03, 24, 25, 27.01, 27.03, 27.04, 27.05, 27.06, 27,09, 27.15, 27.25, 28 and Appendix "A".

After having heard the representations of both parties on each of the points at issue, with special attention to the history of the negotiations, the Board members concluded that a dispute could be avoided, on the condition, however, that a certain existing differential in the actual wage scales not be increased.

Taking the above into consideration, the Board submits the following recommendations:

Article 1.3 – Effective date of the agreement

We recommend that Article 1.3 be drafted as agreed to by the parties:

"The terms and conditions of the agreement having been ratified by the Company shall apply to the operations effective. . . . . ." the date remaining to be determined at the signing of the agreement.

Article 18.01 — Paid Statutory Holidays

Both representatives pointed out to the members of the Board that the parties had reached an agreement on this Article prior to the hearing held on June 22, 1972.

Article 19.03 — Paid vacation

The Board members were informed that this Article had also been settled by the parties.

Article 24 — Insurance Plan

We recommend that this Article be drafted as follows:

"The Company will contribute toward an insurance plan up to the following amounts each month for each employee.:

$18.00 for the first year;
$18.00 for the second year;
$19.00 for the third year."

Article 25 — Hourly wage rates

This Article and the corresponding appendix should be so drafted as to take into consideration the following periodical increases:

"Retroactively to January 1, 1972: $0.20
As of July 1, 1972: $0.30
January 1, 1973: $0.20
July 1, 1973: $0.30
January 1, 1974: $0.20
July 1, 1974: $0.30

for a total of $1.50 during the term of the agreement."

Article 27.01 — Highway drivers, wage rates

The members decided not to accept management's suggestion concerning a non-accident premium.

We recommend that this Article be so drafted that the increases and the distribution of such coincide with those provided for in Article 25 dealing with hourly wage rates.

Article 27.03 — Road Transport drivers — trains and floats

We recommend that this Article be drafted as follows:

"Road transport drivers will receive a premium of .5c. a mile to operate a twin-van and 2 cents a mile to operate a float or a trombone trailer."

Article 27.04 — Outside work

We recommend the following text:

"It is understood that road transport drivers who are driving or performing manual work in an area (including other provinces and the United States) where the prevailing wage scale is higher must be paid at this rate while working or driving in this area, this also including breakdowns, waiting periods or delays. However, these drivers will at no time be paid at a rate lower than their basic terminal rates."

Articles 27.05, 27.06 and 27.09

Both representatives pointed out to the members of the Board that the parties had reached an agreement on these Articles prior to the sitting held on June 22, 1972.

Articles 27.15 — Reporting pay

We recommend the following text:

"Road transport drivers covered by this agreement shall be paid the equivalent of seven (7) hours' pay at their hourly rate, as specified in Appendix "A", each time they are called to report to work."

Article 27.25 — Minimum before refusing work

We recommend that this Article be thus drafted:

"Road transport drivers will have the privilege of refusing work after accumulating a total of 2,100 miles or the total number of hours provided for in the Act."

Article 28.03 — Dispatching in an outside terminal

The parties having agreed on the text, we recommend that the waiting period to be incorporated in the Article be fourteen (14) hours.

Retroactive pay

The report of the Conciliation Officer makes no reference to this subject. The parties informed the members of the Board that they had agreed on the date of December 31, 1971.

Hours of Work — Garages (Maintenance)

Here again, even though the report of the conciliation officer does not refer to this matter, the parties had agreed to establish the work week at forty-five (45) hours. As for wage rates, we recommend periodical increases similar to those provided for in Section 25 dealing with hourly wage rates.

Appendix

We recommend that the special conditions in Northern and Northwestern Québec should be taken into consideration in a special Appendix. Since no text was submitted, this Appendix will remain to be negotiated on the basis of the present provisions.

The Chairman having been notified of his appointment but on June 19, 1972 (whereas it had been made on June 6, 1972), the representatives of the parties, pursuant to the terms of Section 141 of the Canada Labour Code, Part V, agreed to extend the time-limit for reporting the finding and recommendations of the Conciliation Board to the Minister, the said time-limit being extended to forty (40) days from the date of the appointment, June 6, 1972.

This report is submitted unanimously by the members of the Conciliation Board.

Signed at Montreal, on this July 8, 1972.

Claude Lauzon
Chairman

Hubert Pitre,
Member

Roger H. de Ginet,
Member

Report of Board of Conciliation and Investigation established to deal with dispute between:

Motor Transport Industrial Relations Bureau of Québec (Inc.)

(representing certain member trucking companies in Québec

falling within federal jurisdiction)

and

Transport Drivers, Warehousemen and Helpers Union, Local 106

The Board was under the Chairmanship of Judge Jacques Coderre, Chairman, Public Security Council, Montreal Urban Community, appointed by the Minister of Labour in the absence of a joint recommendation from Ross Drouin, Q. C. of Québec City, and Roger H. de Ginet of Montreal, who were previously appointed on the nomination of the bureau and union, respectively. The report was received by the Minister during June.

Hearing of the parties took place on the 9th of June 1972, in Montreal.

Previously, Mr. G. Rolland Doucet had been appointed Chief Conciliation Officer, and, in a report he made on the 14th of April 1972 to the Acting Director, Conciliation and Arbitration Board for the Canada Department of Labour, it appears that the matters upon which the parties could not agree were relevant to articles 12.5, 18.1, 19.3, 19.4, 24, 25.1, 25.2, 25.3, 25.6, 26.2, 27.1, 27.2 and 41.1 of the Collective Agreement effective from the 1st of April 1969 and terminating on March 31st, 1972.

Recommendations of the Board

Article 12.5 — Job Injury Reports;

We recommend that article 12.5 remain unchanged and read as follows:

> "The Member Company agrees to co-operate towards the prompt filing of employee on the job injury reports."

Article 18.1 — Paid General Holidays:

The Union proposal giving "day after New Year" has been changed by mutual agreement to "day before Christmas," for a total of ten (10) paid general holidays.

Article 19.3 and 19.4 — Vacations:

These articles of the previous Collective Agreement are replaced by the wording of the Union proposal, with the following amendments:

1. 19.3— a) first line: "1973 instead of 1972"
2. 19.3— b) first line: "1975 instead of 1974"
3. 19.4— a) first line: "1973 instead of 1972"
4. 19.4— b) first line: "1975 instead of 1974"

and in the Collective Agreement to be signed between the parties, we recommend that these two articles 19.3 and 19.4, should read as follows:

19.3 a) Effective 1973, employees who have completed seven (7) years of employment by November 30th in any year shall receive three (3) weeks vacation with pay; however, if an employee has not completed his seven (7) years of employment when taking his vacation, the pay for the third week shall be delayed until his seventh (7th) anniversary date of employment.

b) Effective 1975, employees who have completed six (6) years of employment by November 30th in any year shall receive three (3) weeks vacation with pay; however, if an employee has not completed his six (6) years of employment when taking his vacation, the pay for the third week shall be delayed until his sixth (6th) anniversary date of employment.

19.4 a) Effective 1973, employees who have completed fourteen (14) years of employment by November 30th in any year shall receive four (4) weeks vacation with pay; however, if an employee has not completed his fourteen (14) years of employment when taking his vacation, the pay for the fourth week shall be delayed until his fourteenth (14) anniversary date of employment.

b) Effective 1975, employees who have completed thirteen (13) years of employment by November 30th in any year shall receive four (4) weeks vacation with pay; however, if an employee has not completed his thirteen (13) years of employment when taking his vacation, the pay for the fourth week shall be delayed until his thirteenth (13th) anniversary date of employment.

Article 24 — Health and Welfare Plan:

John Kennedy representing the employer, and Omer Malboeuf representing the Union, informed the members of the Board that article 24 relevant to the Health and Welfare Plan, had been settled between the parties before the hearing of the 9th of June 1972.

Articles 25.1, 25.2, 25.3 and 25.4 — Hourly Wage Rates:

These articles should be redrafted to comply with the following recommendation:

> "We recommend that the hourly wage rates, from the 1st of April 1972 (commencement date of the contract) to the 31st of March 1975 (termination date of the contract), be increased gradually as follows:
>
> | | | |
> |---|---|---|
> | Retroactive | April 1st 1972: | .25¢ |
> | Effective | July 1st 1972: | .05¢ |
> | | October 1st 1972: | .12¢ |
> | | April 1st 1973: | .17¢ |
> | | October 1st 1973: | .17¢ |
> | | April 1st 1974: | .30¢ |
> | | October 1st 1974: | .44¢ |
>
> for a total over the period of the Agreement of $1.50."

rticle 25.6 — Premium for Evening or Night Shifts:

We recommend that article 25.6 of the previous Collective greement remain unchanged and read as follows:

"25.6 — Employees working regularly on the evening or night shifts shall be entitled to a shift premium of five cents (0.05c) per hour in addition to their regular hourly rate for all hours worked between 7.00 P.M. and 3.00 A.M. The Provisions of this paragraph do not apply to highway drivers."

rticles 26.1 and 26.2 — Maintenance of Privilege:

We recommend that article 26.1 of the previous Collective greement remain unchanged, and that amendments suggested by he union, in article 26.2, should be rejected. Therefore, article 26.1 hould read as follows:

"26.1 — Any employee presently receiving more than the above rates will not suffer a decrease through the signing of this Agreement and the Member Company may, at its discretion pay an employee at a higher rate than his classification calls for."

Articles 27.1 and 27.2 — Highway Drivers — Rates of Pay and Working Conditions:

We recommend that Article 27.1 read as follows:

"Drivers on highway operations shall be paid mileage rates in accordance with the following schedule:

April 1/72	July 1/72	Oct. 1/72	April 1/73	Oct. 1/73
11.5	11.6	11.8	12.1	12.4

April 1/74	Oct. 1/74
13.0	13.9

Axles 5 & 6

April 1/72	July 1/72	Oct. 1/72	April 1/73	Oct. 1/73
11.7	11.8	12.0	12.3	12.6

April 1/74	Oct. 1/74
13.2	14.1"

We recommend that Article 27.2 be changed as to rates to read as follows:

"Highway drivers required to drive in excess of ten (10) consecutive hours or who work on a General Holiday will be paid overtime at the hourly rates outlined below in addition to their normal mileage rates:

April 1/72	July 1/72	Oct. 1/72	April 1/73	Oct. 1/73
$2.93	$2.98	$3.00	$3.07	$3.15

April 1/74	Oct. 1/74
$3.30	$3.53"

Article 41.1 — Duration of Collective Agreement:

We recommend that the duration of the Collective Agreement should be for a period of three (3) years effective from the 1st of April 1972 to terminate on March 31st 1975.

Therefore, article 41.1 of the previous Collective Agreement should in the future read as follows:

"41.1 — This Agreement shall be effective from April 1st 1972 to terminate on March 31st, 1975 and shall be renewed automatically unless any of the parties notifies the other between the sixtieth (60th) and the thirtieth (30th) day prior to the termination date of their intention to renew with changes and amendments the present Agreement. This Agreement shall be binding on the parties hereto, their successors, administrators, heirs and assigns."

The parties, through their representatives at the hearings, agreed that the Conciliation Board report its findings and recommendations to the Minister within a period of 30 days as from the appointment of its chairman on May 19th, 1972, thus complying with the provisions of Article 141 of the Canada Labour Code, Part V, entitled Office Consolidation 1971.

Unanimous Recommendations of the Board of Conciliation and Investigation.

Signed, this 15th day of June 1972.

Jacques Coderre,
Chairman

Ross Drouin,
Appointee

Roger H. de Ginet,
Appointee

Report of Board of Conciliation and Investigation established to deal with dispute between:

Maritime Employers' Association

and

International Longshoremen's Association,

Locals 1605, Québec City, and 1657, Montreal

The Board was under the Chairmanship of Judge Maynard B. Golt of Montreal, appointed by the Minister of Labour in the absence of a joint recommendation from the other members of the Board, Jean Bazin and Marcel Gaboury, both of Montreal, who were previously appointed on the nomination of the Employers' Association and the union locals, respectively. The majority report, which under the Canada Labour Code (Part V – Industrial Relations) is the report of the Board, was made by the Chairman and Marcel Gaboury. A dissent was submitted by Mr. Bazin. The report was received by the Minister during July.

The Board met on May 29, 1972, in an attempt to resolve this dispute in a manner acceptable to both parties. Mr. Leo G. Taylor, President of local 1657 pleaded on behalf of the union while Mr. Denis Pronovost, Vice President, Labour Relations, acted for and on behalf of the association.

Mr. Taylor, listed several complaints but during the course of the hearing, the parties reduced the list of grievances to one, and this concerned "job security." Incidentally, the Board was advised that the dispute relative to local 1657 had been settled and so we have dealt only with the remaining grievance as it pertains to local 1605.

In essence, the dispute involving "job security" was described by Mr. Taylor as follows:–

> "Local 1605 was composed of forty-two members, twenty-five of whom have job security while the remaining seventeen bona fide members of the local are not so protected."

The union then produced as Exhibit (Ex. U-1) an agreement, and its current demands are similar to those contained in the following clauses, except that the figures have been changed:–

21.01 The maximum number of members in local 1657 eligible for Job Security will be 25. The remaining 17 members will not be eligible for Job Security but will receive first priority of dispatch after all eligibles.

It is understood that for the years 1973 and 1974 the facts relative to Job Security hours and costs will be submitted to Judge Gold in the month of February for binding arbitration as to the number to be protected in succeeding years.

21.02 Local 1605 agrees that after the requirements of clause 21.01 have been met, all surplus requirements for work within the jurisdiction of local 1605 may be completed by Job Security employees of local 1739 notwithstanding the provisions of clause 1.08, providing however that they (local 1739) first fill the jobs with their own local.

The parties were quite adamant in their stand, and as a consequence the Board again met on June 1, 1972, in a continuing attempt to arrive at a solution.

The financial aspect and the cost to the employer of job security or priority with respect to the aforementioned 17 members was discussed at length, as was the ratio of guaranteed to unguaranteed longshoremen in the ports of Montreal and Québec. These and other details were exhaustively examined and reviewed, but the Board was unable to arrive at a unanimous conclusion.

The question, or if we may be allowed to use the term, "the problem of job security" is one that has descended upon the community at large and is a matter which we feel will, in the future, have to be dealt with in an increasing amount of labour disputes. It is an element which will probably form a substantial part of every demand, and we look forward to the day when a formula of this nature will be included in every collective agreement. The mobility of our economy, and rapid growth of automation has instilled in the working man a fear that a generation of his labour output will be swept aside, and he will thus be denied the benefits and security for himself and his family if he suffers a discharge from his employment, or if employment is unavailable to him. Be that as it may, we are nonetheless not disposed at this time to granting or even suggesting that the individual is entitled to complete job security by the mere fact of union membership. We do feel however, that a bona fide member of a recognized union should be granted priority of work to the exclusion of others, especially when the union is recognized as the labour force in virtue of a collective agreement. This priority must however be carefully exercised, in that the workingman so protected should not be concurrently employed in another job since this would obviously give rise to a measure of inequality. Incidentally priority of work does exist in the Port of Montreal at this time.

The Board thus recommends that job priority be granted to those 17 members of local 1605 in accordance with the foregoing.

(Sgd.) Maynard B. Golt

Marcel Gaboury

Comments of M. Bazin

I wish to register my dissent with the conclusion reached therein. Not by way of a minority report, but by way of comment, I wish to add the following.

> "The granting of a first priority of dispatch to the remaining 17 members of local 1605 in the port of Québec City is at least premature, especially when this granting of priority appears to be tied in with a proviso that '. . . the working man so protected should not be concurrently in another job employed. . . .' It must be noted that there are no suggestions in the majority report as to how this will be implemented."

I also feel compelled to add that I take strong objection to the inclusion in the majority report of the following statement:

> "The question, or if we may be allowed to use the term 'the problem of job security' is one that has descended upon the community at large and is a matter which we feel will in the future, have to be dealt within an increasing amount of labour disputes. It is an element which will probably form a substantial part of every demand, and we look forward to the day when a formula of this nature will be included in every collective agreement."

Finally, I find the majority report impossible to reconcile with Bill C-230 which was passed by the House of Commons on July 6, 1972.

(Sgd.) Jean Bazin,
Member

Report of Board of Conciliation and Investigation established to deal with dispute between:

Poole Construction Limited
(employees employed in the Northwest Territories)

and

The United Brotherhood of Carpenters and Joiners of America,
Local Union No. 1325

The Board was under the Chairmanship of Adrian G. Smith of Edmonton, appointed by the Minister of Labour on the joint recommendation of T. R. Bradshaw and Lawrence LeClair, both of Edmonton, who were previously appointed on the nomination of the company and union, respectively. The report was received by the Minister during June.

The Board met with the representatives of the Company and the Union on Wednesday, June 7th for the first time. The Union representative made an opening statement in which he stated the position of the Union in respect of the proceedings before the Board in the following terms:

1. The Union insisted upon double time for all overtime, starting immediately and would not under any circumstances negotiate this condition.
2. The Union would not negotiate other terms of the proposed agreement until the question of double time for overtime was resolved.

In reply the Company's representative stated that the Company would not agree to inclusion in the agreement of double time for overtime starting immediately.

It was pointed out to the parties that the Board had been appointed at their request to assist them in negotiating an agreement and that the positions of the Parties indicated by their statements effectively denied the Board the opportunity of assisting them. The Parties were told that the Board would meet again on June 14th and were invited to consider their positions in the interim.

On June 14th the Parties met with the Board and restated the positions they had indicated at the first meeting. The Parties presented briefs and supporting documents to the Board. The Board indicated that it would report and no further meetings would be held.

The Board therefore must report that the Parties have denied the Board the opportunity of assisting them in negotiating an agreement.

In the result the briefs submitted by the Parties are irrelevant to this report.

(Sgd.) Adrian G. Smith,
Chairman

Lawrence LeClair

Thomas R. Bradshaw

Report of Board of Conciliation and Investigation established to deal with dispute between:

Canadian Transit Company

and

Teamsters, Chauffeurs, Warehousemen and Helpers,
Local Union No. 880

The Board was under the Chairmanship of T. C. O'Connor of Toronto, appointed by the Minister of Labour on the joint recommendation of Hugh B. Geddes, Q. C., of Windsor and Henry Kobryn of Don Mills, who were previously appointed on the nomination of the company and union respectively. Each member of the Board contributed separately to the report which was received by the Minister during July.

Report of the Chairman

The basic issues in dispute are the effective date and expiry date of the collective agreement and the effective date of the wage adjustments.

The wage adjustments have been agreed to. I make the following proposal to the parties:

Term of Agreement: October 1, 1971 to expire January 15, 1975.

Wages: 25¢ — October 1, 1971
30¢ — October 1, 1972
25¢ — October 1, 1973

(Sgd.) Thomas C. O'Connor

Report of Henry Kobryn

The following issues were in dispute before the Board when the hearings began;

(1) Wages
(2) Shift Differential
(3) Uniforms, safety shoes and overshoes
(4) Payment Canada Pension
(5) Date of application of one additional holiday
(6) Guaranteed numbers of hours for climbers and improvement in rates.
(7) Retroactivity
(8) Termination date of agreement
(9) Vacations
(10) Job bidding
(11) New Classifications of Toll Collectors and Scale Men covered by all present Articles of the Agreement.
(12) Wiping out the record of employees after a certain period.

Laws passed in a foreign country had interjected themselves into these negotiations and were a definite hindrance to reaching an agreement. Every effort was extended by the Union to reach an agreement but no agreement could be reached.

The twelve issues were narrowed down to four when the Board hearings reached an impasse.

The four items that were outstanding were;

(1) Termination of Agreement
(2) Retroactivity
(3) Vacations
(4) Application date of additional holiday.

Union Position

(1) Termination on present termination date of a three agreement Sept. 30/74.

(2) Retroactivity to Oct. 1/71 on present anniversary date.

(3) 3 weeks vacation after 8 years and 4 weeks vacation after 18 years moving from previous position of 15 years in order to get a settlement.

(4) Application date of Holiday Anniversary date Oct. 1/72.

Company Position

(1) Termination Jan. 15/75 same date as American side of Bridge.

(2) Retroactivity Nov. 15/71 same date as given to American side of Bridge.

(3) Vacation to remain the same so as not to disturb American side of Bridge. Three weeks after 12 years, 4 weeks after 18 years.

(4) Application date of Holiday, Easter of 1974.

In my humble opinion the union's attitude was most conciliatory and every effort was made to reach an agreement and since the remaining issues are not unreasonable. I have no choice but to support their stand.

(Sgd.) Henry Kobryn

Report of Hugh B. Geddes, Q.C.

1. The Board of Conciliation first convened on May 7, 1972 with the above named persons in attendance.

2. The Employer and the Bargaining Agent were parties to a Collective Agreement dated 1st October, 1968 which expired on 3rd September, 1971.

3. During the first day of meeting before the Conciliation Board considerable areas of differences between the proposals of each party were resolved, but at the conclusion of the hearing four major areas of controversy remained to be resolved:

1. paid holidays
2. vacations
3. term on duration of contract and date of contract
4. retroactivity of wage proposals
5. wages.

4. The employer is a partner in the operation of an international bridge between Canada and the United States. The American counterpart of the employer has entered into a collective agreement with their bargaining unit for a further 3 year term. It would appear that in the last three collective agreements on each side of the international border that a real effort was made to achieve parity in wages, benefits and vacations. This goal was achieved during the term of the last collective agreement.

5. The Board was advised that joint negotiations with parties on each side of the border were held and that the U.S. employer and union have now signed a new collective agreement, the terms of which have been substantially offered to the bargaining unit. Unfortunately, once the goal of parity was achieved and the new American contract was signed the Canadian bargaining unit felt that this was no longer an acceptable standard, although, the employer proposed modifications to compensate for the different social legislation in each country.

6. The parties with the assistance of a Conciliation Officer of the Department of Labour on December 22, 1971 resolved the major non-monetary issues, and after the hearing before the Board of Conciliation it would appear that the only items remaining to be resolved are set forth in paragraph No. 3 of this Report.

7. The parties both agree that an additional paid holiday should be included in the collective agreement but no consensus as to when the holiday would be added. The bargaining agent requiring it to be added in 1972 and the employer maintaining that it should be included in 1974. I would recommend inclusion in 1973.

8. The length of vacations for long service employees remained in issue, with the bargaining unit requesting 3 weeks vacation after 8 years service and 4 weeks vacation after 15 years. The employer was prepared to modify the old collective agreement to make vacations consistent with those enjoyed by the employees of the U.S. employer and I would so recommend.

9. The new U.S. agreement became effective January 15, 1972 with retroactivity of benefits to that date. A similar date is offered by the employer, but the bargaining unit insists upon retroactivity to October 1, 1971 and termination September 30, 1974 while the employer proposes a January 15, 1975 expiry to remain consistent with the U.S. contract. For the reasons set forth in paragraphs 5 and 6. I would recommend retroactivity to January 15, 1972 and expiry January 15, 1975.

10. Likewise, the proposal for retroactivity of wage proposals parallels the positions stated in paragraph 10.

were not resolved by the Board of Conciliation to the satisfaction of either party and it became difficult to define exactly what proposal would be acceptable to each party, bearing in mind the desire of the employer to maintain parity between the wages of the employees in each bargaining unit.

11. Curiously enough it is this member's view that the wage issue could be resolved by the parties if the issues stated in paragraphs 8, 9, 10 & 11 were resolved. Unfortunately, these items

12. I therefore, find that the Board of Conciliation was unable to resolve this Industrial Dispute.

DATED at Windsor this 30th day of June, 1972.

(Sgd.) Hugh B. Geddes

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CONCILIATION BOARD REPORTS
together with
CLRB REASONS FOR JUDGMENT

No. 5, 1972

Conciliation Board Reports in disputes between:

British Columbia Maritime Employers' Association and International Longshoremen's and Warehousemen's Union, Canadian Area

United Grain Growers Limited; Alberta Wheat Pool; Saskatchewan Wheat Pool; Burrard Terminals Limited and Pacific Elevators, Vancouver, B.C. and Grain Workers, Local 333, International Union of United Brewery, Flour, Cereal, Soft Drink and Distillery Workers of America.

Canada Steamship Lines Limited, Montreal, Quebec and Brotherhood of Railway, Airline and Steamship Clerks, Freight Handlers, Express and Station Employees.

Reasons for Judgment in Applications for Certification affecting:

Canadian Transportation Workers' Union No. 188, National Council of Canadian Labour and Kel Truck Service Ltd., and Teamsters, Chauffeurs, Warehousemen and Helpers Union, Local No. 880 of the International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers of America.

General Truck Drivers and Helpers Local Union No. 31, General Teamsters Local Union No. 362 and General Drivers, Warehousemen and Helpers Local Union No. 979 of the International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers of America and Johnston Terminals Ltd.

Application for review of a previous order affecting National Association of Broadcast Employees and Technicians and British Columbia Television Broadcasting System (formerly Vantel Broadcasting Co. Ltd.)

CANADA DEPARTMENT OF LABOUR

Hon. Martin O'Connell, Minister

Bernard Wilson, Deputy Minister

Report of Board of Conciliation and Investigation established to deal with dispute between:

British Columbia Maritime Employers' Association

and

International Longshoremen's and Warehousemen's Union, Canadian Area

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The Board was under the Chairmanship of Dr. Noel A. Hall of Vancouver, appointed by the Minister of Labour in the absence of a joint recommendation from the other members of the Board, R. A. Mahoney of Vancouver, Employers' nominee, and William Stewart of Vancouver, Union nominee. The report was received by the Minister during July.

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1. The Board was appointed pursuant to the provisions of Part V of the Canada Labour Code (Industrial Relations) to endeavour to bring about an agreement between the parties. A hearing was held on July 26th, 1972 in the City of Vancouver. The parties agreed that the Board was properly constituted under the provisions of the Canada Labour Code. The Chairman and members of the Board met with the parties on July 27th and 28th, 1972.
2. At the initial hearing, the Union took the position that meaningful progress towards resolving the dispute could only be made through direct talks between the parties. In its view, the Board could serve no useful purpose at this stage of negotiations. Although the Employer was prepared to make submissions to the Board on matters in dispute, the Union was not prepared to do so.
3. In the circumstances, the Board finds itself unable to make recommendations of substance on the matters in dispute. However, in an endeavour to assist the parties in resolving the dispute, the Board has established a procedure under which the parties have agreed to immediately enter into direct negotiations and to continue those negotiations with a view to concluding a revised collective agreement. Under this procedure members of the Board have agreed to stand in readiness to assist the parties in any way possible. In addition, the parties have agreed that they will seek the assistance of the Board before there is any breakdown in direct negotiations.

(Sgd.) R.A. Mahoney,
Member

William Stewart,
Member

Noel A. Hall,
Member and Chairman.

Dated at Vancouver this 29th day of July, 1972.

Report of Board of Conciliation and Investigation established to deal with dispute between:

United Grain Growers Limited; Alberta Wheat Pool; Saskatchewan Wheat Pool; Burrard Terminals Limited and Pacific Elevators Limited, Vancouver, B. C.,

and

Grain Workers, Local 333, International Union of United Brewery, Flour, Cereal, Soft Drink and Distillery Workers of America

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The Board was under the Chairmanship of Thomas C. O'Connor of Toronto, appointed by the Minister of Labour on the joint recommendation of R. A. Mahoney and E. P. O'Neal, both of Vancouver, who were previously appointed on the nomination of the employers and union, respectively.

The majority report, which under the Canada Labour Code (Part V – Industrial Relations) is the report of the Board, was made by the Chairman and Mr. O'Neal. A minority report was submitted by Mr. Mahoney. The report was received by the Minister during August.

Hours of Work – Clause 4.01, as set out in (S.W.P.)

The Board of Conciliation recommends that clause 4.01 be retained in the Collective Agreements as drafted.

At the present time the clause provides for a 40 hour week, Monday to Friday inclusive. The employers have established practices, as to hours of work and shifts, this arrangement provides for up to a three (3) shift operation as necessary. This arrangement should be continued with the understanding that the starting and quitting times for the various shifts will not be changed unless by mutual consent of the parties.

Guaranteed Wage – Schedule 2

The Board recommends that this article be amended to provide $37.00 per week to begin after four (4) years of service.

Delete sections 1.02 and 1.04 and insert in section 1.01 after the word "layoff" the words "due to lack of work."

Delete sections 2.01 (b) and (c) and renumber (d) as new (b).

Clause re Closure of a Terminal Elevator

In the event of the closure of another terminal elevator in the Port of Vancouver resulting in the termination of employees in such

other terminal elevator and provided such employees who desire to continue employment in the industry register with the Company for employment in the terminal elevator the Company agrees, should it require additional employees, to offer employment to those persons who have registered with it before hiring persons who have not previously been employed in the industry.

It is understood that such persons shall report for work within fourteen (14) days of call by Registered Mail to the last known address. A list of laid off employees will be given to the Union.

Severance Pay at Plant Closure

The Board of Conciliation recommends that this clause, which is concerned with technological change, be amended to provide for the same benefits for plant closure and the new clause will read:

> "In the event that an employee is terminated by reason of technological change or plant closure, such employee shall be entitled to severance pay on termination at the rate of one week, comprising 40 hours at such employee's regular rate of pay at the time of termination, for each year of service with the Company up to a maximum of 26 weeks' severance pay."

Health and Welfare

The Board of Conciliation recommends that the Employers' contribution for health and welfare be established at sixty per cent (60%) effective July 1, 1972 and increased to seventy-five per cent (75%) effective January 1, 1973. The health and welfare plan will also include the Dental Plan A.

Vacations with Pay

4 weeks after 10 years, effective in 1972.

Welfare Plan At Pacific and Burrard

At the present time a Welfare Plan is in existence at these two Companies, to which we understand the employee's pay 50c and the employer 75c per week, the Union requested that this plan be continued. We recommend that the Terms of Settlement indicate that the Plan will be continued.

Wages

40c effective December 1, 1971

40c effective December 1, 1972

The employer had offered:

35c effective December 1, 1971

35c effective December 1, 1972

Special Adjustments for Tradesmen

The Board of Conciliation recommends that all tradesmen I and II receive a special adjustment of fifteen cents (15c) an hour effective July 1, 1972.

Retirement Age

The employers sought to amend Article 8, Section 8.07 by inserting – retirement age 65. The Board recommends that the present clause be retained in the Collective Agreement as drafted, except for the substitution of $8,000 Group Life Insurance for $5,000 Group Life Insurance. The $8,000 was proposed by the Employers.

Term of Agreement

Effective December 1, 1971 to expire November 30, 1973

Probationary Period, Preferential Hiring and Pension Plan

The Board of Conciliation, recommends that these matters be referred to a Joint Industry Committee and that meetings be held not later than April 1, 1973 to study these matters. The Board recommends that a Conciliation Officer from the federal Department of Labour act as Agenda Chairman for the meetings. The Chairman will prepare the agenda after consultation with the parties and will arrange the time and place of meetings.

Preferential Hiring

The Union sought to establish a preferential hiring clause in the collective agreement, but there is not sufficient information available at this time to enable the Board to make a recommendation. Under the Employers' proposal all employees are guaranteed severance pay due to a plant closure and they are also protected by Clause 10.12, which will provide opportunities for employment within the industry due to closure of an elevator. Actually, as it appears, layoffs will not be a problem during the foreseeable future, as in as much as the parties indicated that total employment should increase by 15% to 20%;

Probationary Period

The Employers sought to establish the hiring rate at 50c below the basic rate for a period of 30 days. At the present time the hiring rate is 10c less than the basic rate. Sufficient information was not developed at our meetings which would enable the Board to consider a recommendation, but we believe the matter of Probationary Period and Hiring Rates should be discussed by the Joint Industry Committee during the life of the agreement. The Union is opposed to a change in the hiring rate, nevertheless they should be prepared to discuss this matter with the Employers during the life of the agreement.

Pension Plan

The Union advised that an Industry-wide Pension Plan would be a number one item on the list of priorities during the next set of negotiations which will begin in the fall of 1973. The Union requested the Employers to meet with the Union to discuss this matter during the life of the agreement. The Board recommends that the Employers meet with the Union and to provide them with the necessary information for the purpose of enabling the Union to undertake the necessary actuarial studies in order to present a proposal for a Pension Plan during the 1973 negotiations.

Here are three clauses that were agreed to by representatives of the Employers and Union, these clauses are subject to ratification by the Union and Employers, however, we recommend them to the parties in this form:

Training:

Employees who wish to train for other jobs within the terminal may notify the Company and the Union in writing, stating the job for which training is desired. The Company will select, by seniority, and subject to the efficient operation of the terminal, such employees for training. During training there shall be no change in the employee's job rate. This shall not restrict the Company's right to lay off employees.

Tradesmen

The Company acknowledges that it wishes to obtain its apprentices and No. 1 and No. 2 Tradesmen from the bargaining unit. Therefore, if an apprentice or a tradesman is required, such position shall be posted and if there is no qualified candidate in the bargaining unit, the Company may hire one. It is the intent of both parties to phase out No. 3 Tradesmen as quickly as possible.

Tools

The Company shall supply tools which shall remain its property and shall be signed for by the employee. Tools shall not be removed from the Company premises. Tools lost, worn or broken must be satisfactorily accounted for by the employee.

The Board of Conciliation first met with the parties June 12, 1972 and our last meeting with the parties was held on July 27, 1972. Many items were agreed to by the parties during the negotiations. We would like to express our appreciation to Mr. Henry Krancs for the Union and to Mr. Mead for the Employer for their co-operation.

At the hearing of the Board of Conciliation the Employers made a proposal to the Union which is attached.

The basis of our report is the proposal of the Employers as amended by the report of this Board of Conciliation.

Among the highlights of the Employers' proposals are many items which have been agreed to:

Contracting Out

Union Leave of Absence

Permission to Enter Terminal

Apprenticeship

Shift Premiums of 25c and 30c

An additional paid holiday

Bereavement Leave for Grandparents

Sickness Indemnity — $110.00 per week

Employers agreement to provide check off of Regular Monthly Assessments.

The above items are only the highlights, there are other matters which have been resolved (see the attached Proposals for Settlement).

Chairman's Addendum

To Clarify our proposal re: Health and Welfare — Page Four

Health and Welfare includes, as in the Employers' proposal, M.S.A. Extended Health Coverage; M.S.A. Dental Plan A, Sickness Indemnity, Group Life Insurance.

Also problems may arise as to who is eligible for the retroactive payment of the first increase of 40c. I would recommend that the parties refer to the procedure used in their previous settlement.

Signed in Toronto, this 9th day of August, 1972.

(Sgd.) E.P. O'Neal

T.C. O'Connor

Proposals for Settlement

This proposal for settlement is based on the expired Agreement except where the Companies propose changes as follows:

1. **Article II**

   The Companies agree to check off "regular monthly assessments" such wording to be inserted as (3) in Article 2.04 (b).

   Delete Article 2.04 (d) & (e).

2. **Article IV**

   4.02 — Change provision for overtime to provide for overtime pay at the rate of time and one half for the first 2 hours per day, and double time for overtime hours worked over 2 hours per day.

   4.02 (c) Delete from this section the words "for ship-loading and".

   4.04 — Delete first sentence entirely. Add second sentence to section 4.02 as 4.02 (d). Renumber balance of sections in this Article.

   4.05 (new 4.04) — Add after "Sundays", the words "with a minimum of 4 hours". New sentence to begin with the word "Except" and change "5:00 P.M. Thursday" to read "3:00 P.M. Friday".

   4.06 (new 4.05) — Add "Easter Monday" to list of general holidays.

   4.07 (new 4.06) — Delete the words "time and one half for the actual time worked before their regular starting time" and substitute "double time for work up to one hour, and for work over one hour, a minimum of four hours, two at time and one half and two at double time".

   Delete the word "supper period" and substitute the word "meal hour".

   Delete the last sentence and substitute the following: "The said meal hour for employees shall be the first hour following their standard work day, and any work performed during the meal hour shall be paid for at the rate of double time".

   4.08 (new 4.07) — to provide for shift premiums of 25c and 30c for second and third shifts.

   4.10 (new 4.09) — delete words "Acts of God, or other like circumstances".

   4.11 (new 4.10) — where applicable.

3. **Article V**

   5.01 — Change date to 1st day of December, 1971. Change 10c per hour to read 50c per hour.

   5.02 — Delete the words "by promotion".

4. **Article VI**

   6.02 (c) — Amend to provide for 4 weeks after 10 years in 1972.

   6.07 — To remain in A. W. P. Agreement.

5. **Article VIII**

   8.04 — M.S.A. Extended Health coverage to be provided for in this section. Section 8.06 to be deleted, 8.07, 8.08 to be renumbered. M.S.A. Dental Plan, Plan A to be made available.

The Company will pay 60% of cost, 40% to be paid by the employee.

8.05 – Sickness Indemnity – Amend to provide for $110.00 per week.

The Company will pay 60% of cost, 40% to be paid by the employee.

(Since under the old Agreement sickness indemnity was $90.00 per week, and the G.W.P. payment was provided for as a makeup to this figure, it will be necessary to decrease the G.W.P. payment to bring it into line with the $110.00 per week offer for sickness indemnity).

8.07 (new 8.06) – Life Insurance – Coverage to be increased to $8,000.00 – Except U.G.G. add words "at age 65" after the word "retirement".

The Company will pay 60% of cost, 40% to be paid by the employee.

6. **Article IX**

9.04 – Delete the words "Fourth and the Fifth Steps" and insert "Third and Fourth Steps".

9.05 – Delete Third and Fourth steps and substitute:

"Third: Within fifteen (15) working days of completion of the Second Step, the Grievance Committee, along with a representative of the Union, if so desired by the Union, and representatives of the Company, including a Company representative above the rank of General Superintendent, shall attempt to reach a satisfactory settlement within five (5) working days. Failing settlement within the said five (5) working days, the Fourth Step may be invoked".

Old Fifth Step to be Fourth.

7. **Article X**

10.04 – Add "grandparents" to the Immediate Family.

10.05 – (Alberta, Pacific and Burrard) – Delete and renumber in those agreements all following sections.

(Alberta Wheat Pool and Burrard Terminals Ltd. confirm their separate offers of a letter undertaking to offer to employees of Pacific Elevators Ltd. and Burrard Terminals Ltd. participation in the Alberta Wheat Pool Pension Plan or Pioneer Grain Ltd. Pension Plan.)

10.07 – (10.06 U.G.G. and Sask.) – Provide for Plan (now Schedule 2) in a separate Article. Renumber following sections in all Agreements.

10.09 – (Alberta, Burrard, Pacific) (10.08 U.G.G. and Sask.) – Revisions of old Agreement – Update.

10.10 – Tradesmen – All references to Tradesmen to go in a separate Article perhaps as Article XIII, present Article XIII to be renumbered.

– Present section 10.10 (Pacific Burrard Alberta) (10.09 U.G.G. Sask.) to be deleted and substitute:

See Report

10.11 (Burrard Pacific Alberta) (10.10 U.G.G. and Sask.) – Tradesmen's Tools – Delete present section and substitute:

10.12

See Report

Training

See Report

Contracting Out – The Company will not contract out work normally performed by employees within the bargaining unit if such contracting out results directly in the layoff of any employee. The Company further agrees that if qualified employees are available, and if the Company has in the terminal the equipment necessary to accomplish the work, and if the work can be completed at and in the time required, and if the nature of the work is normal and routine and is presently performed by the employees, such work will continue to be carried out by employees covered by the Agreement. Nothing of the foregoing shall be interpreted as a restriction of the Company's right to purchase equipment and component parts intended for the operations of the terminal.

Union Leave of Absence – The Company will grant leave of absence without pay upon written application and for the duration of this agreement to one employee to enable such employee to engage in full-time Union business.

Permission To Enter Terminal – Upon notification to the Company Superintendent or Foreman, a Union representative may enter the terminal elevator on Union business. The Union agrees however that the permission granted under this section shall not result in any interference with or interruption of the Company's operations.

8. **Article XIII**

Renumber as XV and update.

9. **Schedule No. 1**

See Report for Adjustment for Tradesmen I & II

2. For each year of apprenticeship schooling successfully completed by a Helper-Apprentice, the Company will pay an additional ten (10c) cents per hour.
3. Delete the first paragraph of the paragraph headed "Tradesmen's Qualifications".
4. Pellet Plan Operator to be added in A.W.P.
5. Change classification Galleryman to Gallery Panel Control Operator in both A.W.P. and S.W.P. and add six (6c) cents to the present Galleryman rate before across-the-board increase.
6. Delete all 3rd Tradesmen at Sask. Pool.
7. Delete * for Sheetmetalman at U.G.G. and add under "Sheetmetalman 1st", Helper-Apprentice.
8. At Burrard – Delete Electrician 2nd and 3rd, Millwright – delete 3rd and Helper-Apprentice, delete House Inspector.
9. Delete from Pacific – Shovellers and Sackers.
10. Cleanermen and Basement Men – in each case delete the last sentence.

Weighmen – delete present wording and substitute:

"A weighman helper who has served accumulative time for twelve (12) months to be reclassified as 4th Weighman. A

4th Weighman who has served accumulative time for twelve (12) months to be reclassified as 3rd Weighman."

11. Update the dating in the schedule.
12. Wages — The Companies offer an across the board increase of thirty-five (35c) cents per hour in each of the two years of the Agreement from 1st December, 1971.

10. **Schedule No. 2**

Guaranteed Wage Plan —

1. Renumber sections as sections of Article XIV.
2. Delete sections 1.02 and 1.04 and insert in section 1.01 after the word "layoff" the words "due to lack of work".
3. Delete sections 2.01 (b) and (c) and renumber (d) as new (b).
4. 3.01 — $37.00 to read $10.00 so that the combined Unemployment Insurance and payment under G.W.P. total $110.00, the same as the Sickness Indemnity.
5. Insert in the 3rd paragraph of Section 3.01 after the word "make-up" the words "to equal with U.I.C., the Sickness and Accident weekly Indemnity payment.
6. It is proposed that this Schedule be deleted and that the Plan be included in the body of the Agreement as a separate Article. It is suggested that the Article could follow that for Tradesmen and be numbered Article 14.
7. Delete Article 10.07 (Alberta, Burrard, Pacific) 10.06 (Saskatchewan United).
8. Update Section 4.01.

Dear Mr. O'Connor:

In the matter of the Canada Labour Code (Part V Industrial Relations) and a dispute affecting Grain Workers Local 333, International Union of United Brewery, Flour, Cereal, Soft Drink and Distillery Workers of America, and United Grain Growers Limited; Alberta Wheat Pool; Saskatchewan Wheat Pool; Burrard Terminals Limited; and Pacific Elevators Limited, Vancouver, B.C.

I have received from you a copy of your report with reference to the above Board of Conciliation and find myself unable to concur with its recommendations.

This letter to you will serve as my Minority Report in this matter.

If the Minister wishes further elaboration from me, which I doubt, I will be pleased to supply same.

Yours very truly,

(Sgd.) R.A. Mahoney,
Member

Report of Board of Conciliation and Investigation established to deal with dispute between:

Canada Steamship Lines Limited, Montreal, Québec

and

Brotherhood of Railway, Airline and Steamship Clerks, Freight Handlers, Express and Station Employees

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The Board was under the Chairmanship of Stanley H. Hartt, Q. C., of Montreal, appointed by the Minister of Labour on the joint recommendation of the other members of the Board, D. J. A. MacSween of Montreal, nominee for the company and Douglas Fisher of Stittsville, nominee for the union. Each member of the Board contributed separately to the report. The report was received by the Minister during August.

The Board convened and met with the parties on August 8, 9, 10 and 11, 1972, and separate meetings were held with the Union and the Company representatives on August 15 and 16, respectively. The Board obtained two extensions of the mandate referred to in Section 141 of the Canada Labour Code (Part V). The first, dated August 8, 1972, extended the mandate until midnight August 11, 1972 and the second dated August 11, 1972, extended this mandate until midnight August 18, 1972.

When the Board first met the parties, it ascertained that certain problems arising in the implementation of certain minimum standards provisions of the Canada Labour Code to the package freight operations of the Company had led to almost unreconciliable differences between the parties on the issue of wages through the income loss suffered by a substantial number of employees in the bargaining unit as the result of the scheduling of shorter work weeks under the maximum working hours provisions of the Code. Accordingly, on August 11, 1972, preceded by a telex message containing substantially the same text, all three members of the Board, together with the representatives of the parties, addressed the following letter to Mr. J. S. Gunn, Acting Director, Conciliation & Arbitration Branch, Canada Department of Labour:

" Mr. J.S. Gunn,
Acting Director,
Conciliation & Arbitration Branch,
Canada Department of Labour,
Sir Wilfrid Laurier Building,
Ottawa, Ontario.

Dear Sir:

The undersigned is acting as Chairman of the Conciliation Board enquiring into a dispute concerning the Brotherhood of Railway, Airline and Steamship Clerks, Freight Handlers, Express and Station Employees and Canada Steamship Lines Limited. The other nominees on this Board are Douglas Fisher and Donald MacSween.

In the course of our meetings with the parties, we have determined that the settlement of the dispute in question is being rendered more difficult by the problem of the implementation of the maximum work-week provisions of the Canada Labour Code.

In particular, we have found that the Company was able to obtain in 1971 a permit to exceed by 480 hours per employee the maximum hours available under its 37-week averaging period. Accordingly, the parties did not in 1971 adopt any modifications to their agreement altering traditional work schedules and patterns so as to bring them into a workable relationship to the said Labour Standards legislation.

In March of this year the Company applied for a renewal of the said permit but was informed that the application was premature, the shipping season not having begun. The Company then scheduled in strict compliance to the provisions of the Code with a maximum of 48 hours per week per employee. This resulted in income loss to the employees which they are seeking to alleviate by a rate increase. Our dilemma as a Board is that the necessary rate increase to satisfy this income loss would be extremely large and makes our consideration of the positions of the parties far more difficult.

In view, of the fact that the Labour Standards Branch replied to the Company's request not by a firm refusal but by an indication that a permit might be considered if application were made later in the year, we have the express permission and instructions of the parties, who join in this application, to apply to you for and on behalf of the Company for a permit to exceed by a maximum of 480 hours per employee in the calendar year 1972 the maximum hours of work otherwise available to the Company under its 37-week averaging period.

In view of the fact that our intention is to enable the parties to come to an agreement for a two year period commencing April 16th, 1972 and expiring April 15th, 1974, on the basis that work practices established over a long period in the past would not be altered until a solution could be arrived at which took into account the various interests of the parties and the practical problems of implementation, we would urge that a similar permit be accorded to the Company for the calendar year 1973. This will provide the parties with ample opportunities to develop working procedures and schedules to apply in place of those traditionally prevailing between the parties.

(Sgd.) Stanley H. Hartt,
Chairman

Donald MacSween,
Nominee for the Company.

John Evans
For the Company

Douglas Fisher
Nominee for the Union

William Swain,
For the Union.

This letter has now been favoured with the following reply dated August 15, 1972:

" Mr. Stanley H. Hartt,
Stikeman, Elliott, Tamaki,
Mercier & Robb,

Édifice Banque Canadienne
Impériale de Commerce,
1155 ouest Boulevard Dorchester,
Montreal 102, Québec.

Dear Mr. Hartt:

I wish to acknowledge your telex of August 10 and letter of August 11, concerning the possibility of the Minister of Labour granting a permit that will enable Canada Steamship Lines to exceed maximum hours under section 9 of the Canada Labour (Standards) Code.

I am pleased to advise that the Honourable Martin O'Connell, Minister of Labour has signed a permit on August 14, which will enable any employee of Canada Steamship Lines in a bargaining unit represented by BRASC to work in excess of the maximum hours in an amount not to exceed a total of 480 hours in excess of the maximum of 1,776 hours in the 37-week averaging period ending December 1972.

Further, I wish to advise that if an application is made by the company for a permit for 1973, a recommendation will be made to the Minister that such a permit be approved if circumstances in that year are similar to those which justify the 1972 permit.

Yours very truly,

(Sgd.) "J. S. Gunn"

Acting Director,
Conciliation and Arbitration
Branch,
(J.S. Gunn) "

The central problem before us as a Board was how to rationalize the manpower allocation of the Company's package freight operations with the provisions of the Canada Labour Code, against the background of traditional practices developed by the parties. Philosophically, the Chairman would have preferred to render a report . . . which recommended an innovative manner of conciliating the parties on the conflicting objectives of income security and flexibility of manpower assignment. The Company made a persuasive case for the proposition that some form of flexibility in the hours of work provisions, in the call hours and in work assignments was essential in its inland water transportation service, integrated as it is with other modes of transportation. The Company's proposal of a two shift operation at the two terminals at the eastern and western ends of its routes would provide the possibility of greater service to customers, more reliable delivery undertakings, and faster turnaround of vessels, at least at the Thunder Bay terminal, with the result that a significant number of voyages could be anticipated during each navigation season, with resulting increases in revenues, which are the foundation of the ability to pay fair and decent

increases in wages. There would also be a greater volume of work at certain ports along the system in which the availability of work has not exhausted the number of hours permissible under the applicable legislation. In exchange for a shift system, the Company was prepared to offer certain substantial guarantees of income to its existing roster of employees in ports in which the shift system would be inaugurated, as well as significantly more money than would otherwise be available for wage increases and other money items. The reasoning was that this additional money would be generated by increased activity of the Company's vessels which the shift arrangement would permit.

One cannot ignore, however, the impact which changes in traditional work patterns has in social and economic terms on members of the labour force, nor can one dismiss as unreal the concern for status and income which are involved in the Union's very strict resistance to changes in a pattern which was not only a long-standing arrangement between the parties, but which appears to have implications in the communities and social milieux of the employees which go beyond the economic rationality to which profit-oriented enterprises must direct their thinking. It became clear to the Board that, at least as far as the Port of Thunder Bay was concerned, the call hours presently in the agreement had ceased for sometime to reflect the relationship between the parties and, in an attempt to introduce regularity into the working hours and to decasualize the status of the freight handling complement, the parties had tended towards the practice of uniform starting and quitting times, and the introduction now of a shift system, while it might increase the employment complement in Thunder Bay, involved the risk to the Union's membership of a net reduction in work available per man (with resulting loss of income) and also subtle implications as to status which the Union claims to be a real force in the community concerned (although the Company denied that this was the case). The Board was persuaded that while the parties would sooner or later have to resolve on a permanent basis the questions posed by the necessity of abandoning a standard 70-hour week, and would have preferred to seize this opportunity to assist the parties in developing some manner in which the interests of all could be protected, the suggestion that a shift system be implemented at Thunder Bay would have involved the rejection of this Report. In an endeavour to maximize the chances that this Report will be accepted by the parties and will form the basis of a new collective agreement, we have agreed instead to make the following recommendations:

1. That a two-year agreement be recommended to coincide with the excess hours permits which appear to be available under Part III of the Canada Labour Code. We accordingly suggest a two-year agreement to run from April 16, 1972 until April 15, 1974, the date on which the 1974 shipping season would normally begin.

2. That the parties take advantage of this period of time to search for appropriate formulae for the reduction of hours, the necessary flexibility of operations and the provision of some income and job security. This could evidently not be done in the time available to this Board and we are persuaded that it will require the strenuous efforts of the parties and all the ingenuity that can be brought to bear to devise a method by which the parties can, with fairness to the various interests involved, find a method to reconcile the economic considerations with the appropriate changes to working customs and practices.

We suggest that the parties establish forthwith a joint consultative committee composed of representatives of the parties and representatives of the Canada Department of Labour to deal with these problems and devise applicable solutions. We urge the Government of Canada to make an appropriate contribution to the cost of such a committee so as to make it possible for the parties to make full and proper use of this organism without undue financial burden, including access to sociological and economic expertise of the Economics and Research Branch, in order to evaluate in some more thorough manner the socio-economic considerations to which we have alluded in this Report but which we were in no position to analyze in any thorough manner within the time available to us.

In the light of the foregoing, the balance of the recommendations in this Chairman's Report are of a more interim nature than the undersigned would have wished. The Chairman recognizes that there would have been attached to a longer term solution wage increases and job and income security guarantees of a more substantial nature than those suggested to the parties during this two-year period of evaluation of the basic problems. Also, some normative changes which might have been suggested in other circumstances are deferred so as to be consistent with the eventual solution. If this leaves the parties less than satisfied with the totality of what is hereinafter recommended, I can only say that the proposed resolution of this dispute is suggested within the framework of what has been outlined above.

I now turn my attention to the various open contract items. The recommendations made below, which the Chairman hopes to be the basis of the resolution of this dispute, are intended as to be specific to each item discussed. Any matter not otherwise specifically dealt with herein should be taken to have been intentionally eliminated from the proposed settlement at this round of negotiations, and this applies both to Union and Company proposals.

Dealing first with the Union proposals, the Chairman makes the following recommendation for the settlement of this dispute.

Wages

This is certainly the most difficult issue before the Board. In certain ports the scheduling of a 48-hour maximum work week has resulted in income loss of approximately $100 per week per man since the opening of navigation on April 15. The Company, naturally enough, feels no responsibility to totally compensate for this loss. While the excess hours permit now obtained should mitigate the continuation of this phenomenon, it cannot make up for the reduced incomes received this season up to this point, nor can the Company substantially increase its volume of freight traffic with any great speed, although the greater number of hours available for the balance of the season would make it possible to schedule faster turn arounds for ships at the Lakehead and an increased number of voyages.

Furthermore, there is disagreement between the parties as to applicable comparisons for wage determination. The Union has sought to persuade the Board that similarity of conditions of work rendered applicable the standard of settlements recently obtained at Great Lakes and St. Lawrence River ports by the International Longshoremen's Association. Apart from the propriety of the use of this yardstick as a criterion, the Union contended that its membership, working along with members of the ILA required to close the gap on ILA wage settlements in order to maintain the position of the Organization as a viable force. The Company, for its part, denied the appropriateness of the comparison, claiming that working conditions were not sufficiently similar to justify a finding from this Board of a standard drawn from patterns set by the ILA. In particular, the Company contended that the greater use of mechanical equipment by its freight handlers, the absence of a hiring hall, multi-employer structure, the lesser degree of purely physical work, the greater protection from the elements and a smaller degree of risk to safety which flows from not having to work with slings loading into open holds, rendered the comparison inappropriate. Furthermore, the Company argued that competition which it faces from other modes of inland transportation did not affect oceangoing vessels and their operators.

The Chairman chooses not to make any firm judgment on this question of criteria. It has often been my private thought that the search for yardsticks is an exercise, at worst, in futility or, at best, *a*

posteriori justification of a settlement dictated by the relative strengths and weaknesses of the parties. The concept of the "just wage" is, in any event, so elusive in our Canadian economy as to induce misunderstandings as to what the conciliation process can really hope to accomplish. Put more simply, the proposed wage adjustment recommended herein is a reflection of the realities of this bargaining context as the Chairman reads them, and represents what ought to be possible to pay and to accept in order to avoid a work stoppage. Personal philosophy apart, the submissions made to us do not permit me to determine whether comparability to railway freight handlers is more or less appropriate than closing the gap on the ILA. The parties might be advised, if they wish a future board to render a determination on criteria, to make more complete submissions which would permit a conclusion on the basis of all available data. The realities of the situation, however, reflect two facts. The first is that a most significant wage increase is necessary to satisfy the members of the bargaining agent at this round of negotiations, label it as one may (although the Union should probably not expect to catch up to the ILA in a single contract). The second is that the Company's willingness to dig to the very bottom of the linings of its pockets is tempered by the reservations induced by the prospect of having to pay heavily again when the hours of work and manning problems alluded to above are ultimately resolved, (although the Chairman believes that the present wage settlement should be considered as part of the compensation for lost income which will be discussed at that time).

The Chairman recommends an across-the-board increase in wage rates for all categories of employees in the unit, fully retroactive for all hours worked since April 16, 1972, (as will be all of the recommendations herein) of 10%.

The Chairman further recommends that, over and above the said increase, there be paid to all categories of employees in the unit, a further across-the-board general increase of 8% in wage rates effective April 16, 1973. The Union has asked that certain skill differentials and premiums for out-of-doors work be established as well. The Chairman recommends that these demands be discarded at this round of negotiations. The present agreement already contains wage differentials which will be accentuated in absolute terms by the proposed across-the-board general wage rate increases.

Overtime

This issue is intimately linked to the question of which hours are to be considered regular working hours. On the premise that the call hours provided for in the collective agreement are not to be changed pending resolution of the issue of shifts and income security, the Chairman recommends that, for this round of negotiations, overtime be recognized and paid for all hours worked in excess of 8 hours in any day or after 6.00 p.m. whichever occurs first, from Monday through Friday, and for all work performed on Saturdays, Sundays and holidays, in addition to any other applicable premium rates, such as for work performed during meal hours or on statutory holidays. This recommendation amounts to overtime by the clock after 4.00 p.m. for all employees commencing at 7.00 a.m. which was one of the most important of the Union's objectives. This provision should protect the large majority of those who made it a major objective in these negotiations without being phrased in the manner contended for by the Union, which the Chairman feels could prejudice the ultimate solution of the working hours question by involving what would then appear to be a concession by the Union of an acquired right.

The voluntary or compulsory nature of overtime duties was also greatly in dispute between the parties and the Chairman recommends that the agreement provide that the performance of overtime work shall be compulsory until an employee has performed a total of ten hours work in any day and further overtime should be voluntary. The Union should also covenant to assure the availability of a sufficient number of employees to perform overtime work when in the Company's estimation the unloading and/or loading of a ship could be completed by 9.00 p.m. for the purpose of permitting such ship to leave port. It is hoped that the application of such a rule would provide the Company, on an interim basis, with some of the flexibility required to ensure faster turn-around of ships especially at the Lakehead for the purpose of increasing its traffic volume. Overtime rates on Saturdays, Sundays and holidays shall be one and one half ($1^1/_2$) times the regular applicable rate.

Call Hours

No change is suggested in the present agreement.

Minimum calls

Under this item the Union had asked for a guarantee of 40 hours employment from Monday through Friday between the hours of 7.00 a.m. and 4.00 p.m. The Chairman has not considered it appropriate to establish such a minimum guarantee in the present context. The Chairman recommends, however, that a five-hour minimum guarantee shall be paid at prevailing rates for all calls on Saturdays, Sundays and general holidays. The issue was also raised as to employees who were required to stand by for a work call on Saturdays, Sundays and general holidays. The Company denied that employees were in fact ever obliged to forfeit rest days or recreational activities and insisted that they were merely required to phone for a pre-recorded instruction at some time on the day prior to that on which they had been warned they might be called. The Chairman would recommend that if any employee were specifically instructed to hold himself available to work on a Saturday, Sunday or general holiday and such call was not in fact forthcoming on the day on which such employee had specifically been instructed to remain available, said employee should receive a five hour minimum guarantee as stand by pay as if he had in fact been called.

Health and Welfare

The Chairman recommends that weekly indemnity benefits be increased to $100 a week payable from the first day in case of accident and from the fourth day in case of illness to a maximum of twenty-six (26) weeks. Life insurance benefits should be increased to $5,000.00 on the life of the employee, $3,000.00 on his spouse and $500.00 for each child, with all premiums to be paid by the Company. The Chairman cannot recommend, however, the inclusion of the Union's proposal that life insurance be continued after retirement. At present, the cost of paying premiums for the Ontario Medical Services Insurance Plan, which includes hospital insurance, is divided equally between the employee and the Company and the Chairman would recommend no change in this arrangement. Similarly, the Chairman would reject at this time the Union's request for the establishment of non-deductible Drug and Dental Plan and for equalization payments in the event that health and welfare benefits paid on behalf of residents of certain provinces were less than those applicable for other employees.

Severance pay

The Chairman is philosophically disposed to the establishment of such a scheme in the event of loss of employment through staff reduction, technological change or manpower rationalization, but recommends no change at the present time in view of the fact that amounts accrued to fund any severance pay plan would tend to reduce the availability of monies to meet the cost of the other items recommended as a part of the financial settlement in this round of negotiations.

Sick leave

The Chairman considers that the recommendations on weekly indemnity hereinabove contained are sufficiently generous to protect employees against serious hardship and would not recommend the establishment of a sick leave plan at this time.

General holidays

The Chairman recommends the addition of two general holidays for all regular employees on the roster otherwise qualifying under the provisions of the present collective agreement read in conjunction with the provisions of the Canada Labour Code regarding qualification for general holidays. These two days should be Christmas Day and New Year's Day. These holidays should be paid on the basis of the provisions of Section A, Article X Section 2 of the present agreement but the reference to "normal hours of work" should be struck out to conform with the recommendation made above concerning the payment of overtime after 8 hours. The Chairman recognizes the apparent inconsistency in providing for an 8-hour regular day while continuing to remunerate general holidays on the basis of 10 hours at regular rates, but believes that this inconsistency appears less offensive if holiday remuneration is viewed in the light of compensation for normal earnings expectation on the holiday were it an ordinary working day.

Vacation

The Chairman recommends that the vacation entitlement in the present agreement be revised so that for all employees who have worked 1 to 4 full seasons, vacation would be paid on the basis of 2 weeks pay or 4% of earnings during the applicable shipping season, whichever is greater; for employees who have worked 5 to 9 full seasons, vacation would be paid on the basis of 3 weeks pay or 6% of earnings during the applicable shipping season, whichever is greater; for employees who have worked 10 to 14 full seasons, vacation would be paid on the basis of 4 weeks pay or 8% of earnings during the applicable shipping season, whichever is greater; for employees who have worked 15 full seasons or more, vacation would be paid on the basis of 5 weeks pay or 10% of earnings during the applicable shipping season, whichever is greater. All references to a week's pay should be read on the basis of 60 hours per week at straight time and reference to "normal hours" in Section A, Article IX Section 3 (f) should be eliminated. The rationale is the same than that expressed above under General Holidays. The other Union requests concerning vacation should be dropped.

Bereavement Leave

The Union has requested the addition to the definition of "immediate family" of the words "brother and sister". The Chairman recommends that this request be adopted.

Technological change

The Chairman recommends that the parties specifically provide for the applicability of Sections 149 to 153 inclusive of Part V of the Canada Labour Code as amended, notwithstanding that the said amended statute or the said sections may be proclaimed as in force after the date of the collective agreement between the parties, and that the bargaining agent be entitled to apply to the Canada Labour Relations Board for an order granting leave to serve on the Company a notice to commence collective bargaining for the purpose of revising the existing provisions of the collective agreement by which they are bound which relate to terms and conditions or security of employment, or including new provisions in the collective agreement relating to such matters to assist the employees affected by the technological change to adjust to the effects of the technological change, such entitlement in favour of the bargaining agent to apply where the bargaining agent receives notice of a technological change pursuant to Section 150 of the Revised Part V of the Canada Labour Code.

Gang and Load Sizes

A stimulating discussion developed on these issues as to whether the Union was attempting to insert limitative work rules designed to artificially increase the work complement and the available working hours. Management insisted that it was conscious of the safety and welfare of its employees but the proposed rule infringed its managerial prerogatives. The Union contended that the proposed rule did nothing but confirm practices already current. The Chairman believes that it would be more appropriate to deal with these issues when questions of working hours and job and income security are settled before the coming into force of the next contract and would recommend no change in the present agreement.

Pension plan

The Chairman recommends no change in the present agreement.

Work rules

The Chairman suggests the inclusion of a provision to the effect that during the navigation season no supervisor or monthly-rated-personnel will do any work that is normally performed by hourly rated employees.

Seniority protection — Full time Union Officers

The Chairman recommends that employees elected to full time positions in the Union shall continue to accumulate seniority.

Section "B" — Expenses re Valleyfield

The Chairman recommends the inclusion in the agreement of a provision to the effect that employees required to work at Valleyfield shall be paid 3 hours at regular rates over and above payment for hours worked or minimum call guarantees, such payment to cover travel time and other additional expenses of travel to and from Valleyfield.

Section "F" — Preamble

Reference to Fort William/Port Arthur should be changed to "Thunder Bay".

Section "F" — Article I, Section 2

The Union has requested modifications to the existing clause to add the phrase: "New employees entering the service after the list has been posted shall be added to it from time to time." The Chairman recommends the inclusion of this provision.

Section "F" — Article II — Extra Men

The Chairman recommends no change in the present provision.

Section "F" — Article VI — Section 1

The Union has made two demands in this respect. The first is that the right of the Company to judge qualifications in the case of promotion should be replaced by a more objective test. The second is a suggestion that a trial period of 30 days with proper instructions should be available to candidates. The Chairman feels that the 30 day trial could prove unduly cumbersome in the selection of candidates and would reject this request. The Chairman believes that speed and certainty in the selection of the successful applicant is in the interest of both parties. On the other hand, the Chairman

recommends that the words "but the Officer of the Company in charge shall be the judge, subject to appeal" should be struck out of the present clause.

Section "F" — Article VII — Section 3

The Chairman recommends the amendment of this Section to read: "Men shall not be loaned to any outside firm without prior agreement with the local Union and any man so loaned shall be changed from day to day".

Other Union requests for changes to Section "F" have been dealt with above under other specific items.

The same is true of the duration of the agreement, Section "G".

The Company also made certain proposals which had two specific purposes. The first was to eliminate repetitious drafting in which identical provisions appeared in the various divisions of the agreement reflecting the working conditions applicable only to individual ports. As conceived by the Company, the agreement should be redrawn so as to contain one General Section incorporating rules applicable to all ports and the divisions for local port conditions should be restricted to include only such provisions as are actually different from those prevailing at other ports. If necessary, the Company would be prepared to eliminate slight differences in conditions in order to achieve one general text by improving conditions in some ports which were not at the standard prevailing in other ports. The Chairman enthusiastically approves this endeavour but, through lack of time, the Board has not been able to properly assist the parties in this drafting exercise and would recommend that to the extent that no substantive changes are involved, the parties expend the necessary effort to obtain a clearer, more readable agreement. The Company has also suggested certain substantive changes and the Chairman's recommendations in respect thereto are as follows:

Recognition

The Company has proposed to change the recognition clause by deleting reference to hourly rated foremen and by modifying the present reference to assistant foremen by the addition of the bracketed words (hourly rated). The Company has submitted that it wished to establish a clearer demarcation line between supervisory personnel and those falling into the unit and has suggested that it would be prepared to engage no hourly rated foremen. The difficulty is that reference to hourly rated foremen is contained in the certificate issued by the Canadian Labour Relations Board in respect of the bargaining unit and this Board cannot recommend modification of that certificate. The Chairman suggests that the Company has it in its power, without the necessity of any change to the Agreement, to create this clearer demarcation line by the assignment of supervisory responsibilities since it is not what an employee is called but what his duties consist of which determines whether or not he falls into the bargaining unit.

Access of Union Officers to Company Premises

The Company has requested that approval of management and proper identification be required for access to Company's premises as provided in Section "B", Article I, Section 5 of the present agreement. The Chairman thinks that the phrase "approval of management" goes too far but that the agreement should include a requirement that the Organization notify the Company as to the identity of its Officers and Representatives who should be in a position to identify themselves when seeking access to docks, sheds or ships.

Section "A" — Article III, Clause 3

The Company has suggested the deletion of this clause. In view of the Chairman's recommendation that no gang sizes or load sizes be legislated at the present time, the Chairman suggests that this clause remain in the collective agreement.

Seniority

The Company's proposal on this matter is a mixed case of drafting changes and substantive proposals. The Chairman recommends that the substantive matters regarding seniority remains as in the present agreement except as mentioned above in this Report.

Paid hours of work

The Company seeks to change the word "freight handlers" to "employees" in Article V, Clause 5 of Section "A" and the Chairman recommends this change.

The Chairman does not recommend the removal of reference to "shed men" at the end of the same clause as suggested by the Company. In Clause 6 of the same Section and Article, the Company seeks the inclusion of the following text: "In order to fulfill a maximum call employees will perform any work assigned at their classified rate provided this work is not of higher classification". Without commenting on the necessity for the inclusion of the requested words in order to produce the result desired by the Company under the present agreement, the Chairman believes that it would not be wise at this time to deal with an issue involving the concept of classification jurisdiction (if such a thing exists in the present Agreement) until the issue of job and income security and working hours which are central to the relationship of the parties have been resolved on a permanent basis.

Working conditions

The Company seeks language to establish a right to discipline any employee who abuses facilities provided by the Company. The Chairman believes that this is a right existing in favour of the Company in any event but would recommend that the desired language be incorporated.

Conditions of employment

The Company seeks to include new provisions obliging employees to furnish themselves with protective footwear, safety hat, industrial gloves and to submit to medical examination to determine fitness for work. The expenses of the safety hat and gloves and part of the cost of the footwear would be borne by the employees. The Chairman recommends that this article not be included at the present time.

Work rules — Article VII

The Company proposes drafting changes to make reciprocal the requirement that foremen and employees address each other in proper language. The Chairman recommends the inclusion of this reciprocity. The Company recommends certain drafting changes to Section 3 of the said Article VII in Section A and the Chairman does not recommend the inclusion of these changes.

Adjustment of Grievances

A minor drafting change is suggested to Article VIII, Section A in clause 2(a) to change reference to "members of the Protective Committee" to reference to "a member of the Protective Committee" and the Chairman recommends the inclusion of this change.

Promotions

The Company requested certain changes in order to eliminate archaic reference to Canadian National Railways and Canadian Pacific Railway and the Chairman recommends that the second sentence in this Section end after the word "file".

Checkers

The Company has requested that all checkers be paid on an hourly basis. The Chairman recommends that all checkers engaged after the coming into force of the proposed agreement be engaged on an hourly basis.

The Chairman earnestly hopes that the parties will be prepared to accept this Report as the basis of their next collective agreement.

DATED at Montreal, this 17th day of August, 1972.

(Sgd.) Stanley H. Hartt,
Chairman.

Minority Report of Douglas Fisher

To the Minister of Labour, the Hon. Martin O'Connell, MP:

Dear Sir:

This is my report arising from the above-noted conciliation board.

In effect, it is a dissenting or minority report. I do not know what the company nominee's position is vis-a-vis the chairman's recommendations.

Mr. Hartt, the board chairman, did not carry out any committee-type searching for a consensus by the three board members. Rather, he ventilated the situation with as much thoroughness as possible, particularly with each party separately; then he wrote his report and provided me with a copy; at the same time he dispatched his to you.

I have no quarrel with this procedure, especially since neither of the parties provided the board with deep or sophisticated economic or job analysis which we could ponder and compare. What it does mean, however, is that my dissent, to be useful, must be more than a straight disagreement to be noted, and then the substitution of my own recommended figures.

I dissent from the chairman, particularly on his wage recommendations, because I find them inadequate and unrealistic.

There's no point in being euphemistic. Mr. Hartt's recommendation of a 10% wage boost for the '72 season and an 8% rise next season is well short of what the union can or should accept.

More to the point the chairman's recommendations on wages whistles blithely past a graveyard scene in which one can imagine two crews of pallbearers, one waiting to bury this particular part of BRAC; the other, probably to be provided by the CSL itself, there for a self-immolation which will bury the employees and the package freight operations of CSL on the Seaway, now and forever more.

My narrative to come will make this grim scenario less cryptic.

1. The union's membership and their location; and its past relationship with CSL.

   The union has some 460 odd members, located at Montreal (97) Port Credit (63) Hamilton (47) Windsor (34) Point Edward (26) Thunder Bay (194).

   The union has never struck the company legally in over 20 years. My information is that there has only been one wildcat strike; it was recent, partial (i.e. one location) and over quickly.

   While previous negotiations have gone to the board and then a report stage, the general history of the relationship between the leading company and union negotiators (both gone now) was equable, an excellent indication being the three year agreement which expired this spring.

   Recent relations on most docks and waterfronts in the western world have been clouded with management charges of feather-bedding, recalcitrance of workers towards new work practices and equipment, drinking on the job or coming on the job drunk, pilferage, etc. This is not the story of CSL and BRAC. The company advanced no righteous indignation over low productivity or of a union resistance to innovation in working equipment or procedures.

2. The International Longshoremen's Association; the spectre at the bare table which CSL is setting for BRAC!

   In recent years on the Montreal waterfront and further down the river, this union has lost several groups of employees to the ILA. For example, two years ago the men who handled cargoes at terminals for Clarke Steamship in its coasting service out of Montreal were successfully raided from BRAC by ILA; and almost immediately these defectors gained a contract almost in line with the ILA basic rate which applies in the big ILA local serving ocean shipping. This rate is well over a dollar an hour higher than the rate held by the men in the present dispute.

   The particular Clarke operation referred to is not deep sea; that is, the vessel types and loading techniques are analagous to those in the CSL operations. Along the whole inland waterway, especially in Montreal, there are BRAC men working side by side, consorting with, living in the same neighbourhoods with, ILA members making from 20 to 30% more an hour.

   At the core of the union passion in this dispute is the realization by its leadership that it must break through now to rates comparable to ILA levels or a successful takeover by ILA is in sight. To the ordinary member of the union, he has made his calculus of comparisons in contracts. He is almost certain to go where the money and "the muscle" is if he cannot do some catching up . . . now!

   But the ILA has more than the cachet of higher rates and a reputation for bloodymindedness.

   Several years ago, the Smith Report, solicited by the federal government, made recommendations of substance to rationalize maritime operations in the terminals and harbours. The report envisaged a one-union set-up along the Canadian waterfronts. The ILA, as the largest, strongest, most omnipresent union was implicitly to be the wherefor of all this.

   Although our political history is studded with recommendations by commissions of inquiry which were never introduced, this seems unlikely with the Smith Report. Officials of the National Harbours, DOT, etc. have repeated the call of the Smith Report and several joint committees are at work, including unions, operators and government men, laying the grounds for this new working world on the docks.

   This explanation, at length, underlies why I believe the board would be remiss if it does not take the prospects of an ILA takeover seriously.

   Ah, but a pragmatist will say, why clutter a specific situation with hypothetical outside forces? What business is it

of the board if the ILA puts these locals of BRAC out of existence? Why not let CSL face that reality when it arrives?

Whether it likes it or not CSL will face this reality and its implications very soon. Why delay it to the comparative disadvantage of the present union membership? Figuratively speaking, CSL goes apoplectic at the union's insistence on ILA scale rates and asserts that these would drive it out of the trade. This latter doom has, of course, been preached before to these men by CSL; this time they are prepared to face it.

3. The punishing consequences of CSL's respect for the law.

ILA rates and the ILA waiting-in-the-wings are only part of the story of money grievances in this dispute. Mr. Hartt has set out his reasons for seeking and obtaining approval from the Department of Labour for a permit to allow overtime which breaches the provisions of the Canada Labour Code.

Some 40% of the BRAC membership involved work at the federal Keefer Terminal at Thunder Bay. This terminal is the end of the CSL package freight system, the key to the lake-rail system for freight serving Western-Canada. Thunder Bay has been the largest, steadiest operation of this aspect of the CSL. There's been relative security of employment and comparatively the best income for the workers, obtained by working a lot of overtime, in effect something between a 60-hour and a 70-hour week.

Since the hours-of-work provisions of the Canada Labour Code went into operation in the mid-60s the company has required and gotten a permit each year to extend the hours of overtime permissible. This season, with negotiations for a new contract getting underway, the company declared that it intended to respect the law, and in doing so, it made a drastic income drop for the workers, particularly at Thunder Bay. This enormous, belated respect for the law cut the income of the Thunder Bay members by an average of $100 a week.

Although the union brought forward substantial wage demands and many other requests for changes in the contract, the Company's position was essentially a refusal to respond to money proposals. Indeed, its first offer of 5% and 6% didn't come until a few weeks ago when the chairman of this board elicited the Ottawa assurance that the overtime permit would be forthcoming until the end of the '73 season.

That is, the company forced unilaterally a most punitive wage drop on the Thunder Bay employees; then it refused to bargain on money unless the union showed a willingness to accept a two-shift system in both Thunder Bay and Montreal. At the time of writing this the Thunder Bay men have lost almost $2,000 each, compared to last year.

Naturally, the Thunder Bay plummeting of income is one reason why the chairman's wage recommendations seem inadequate to me.

As one who once voted in the House of Commons for the shorter hours, etc. of the Canada Labour Code, I know that the legislative intent was not to force less take-home pay situations on workers. The expectation was that the enforcement of the law would lead to higher wage rates; and where unique exigencies in a work field required longer hours that these would be ameliorated by permits and by higher rates.

The Company's case for a two-shift system obviously impressed the chairman of the board more than it did me.

I would agree with his recommendation that work toward achieving it be undertaken jointly by the union and the company under the auspices of the Department of Labour's consultation procedures during the time period possible by the assurance of an overtime permit (i.e., to the end of the '73 season).

To put this matter of the two-shift system in a fair perspective, the company did not make an excellent economic case for the gains to be realized by a two-shift system. Its spokesman said it would give quicker turnarounds, more ships per year, heavier volume, but they had no figures. On the other hand, the union matched the company's dearth in detail and sophistication of data about the two-shift system with highly assertive arguments that the present practices were a model of productivity and speed. In passing, it may be noted that nowhere along the front of the ILA involvement on the Canadian docks is there a two-shift system in operation.

I believe that the compulsion of the two-shift system for CSL is more a ploy to come out at the end of this particular tunnel with a larger work force doing the job with a minimum of overtime at the lowest possible standard hourly rate.

4. The chairman seemed impressed, as was reasonable, with the likelihood that CSL would close its package freight operations in the face of a long strike or lockout arising from what it considered to be inordinate wage demands.

Such a CSL move may not be mere bluff, given the "hard line" towards union demands outlined by leading executives of CSL's parent corporation, the gigantic Power Corporation. CSL, as a whole, has been profitable, judging by its annual reports; and probably this has been true for the package freight division. However, the union cannot prove it from the data in CSL reports and neither can we.

I read the elements in this dispute this way. The union is no longer willing to acquiesce meekly to CSL arguments that it will have to leave the business if the wage rates are raised substantially. If the union's economic strength is not persuasive, even unto the picket line, then it may be the best thing economically that the operations cease. Then some other company may try the chance to use the Seaway facilities. The bleakness of this scenario for the members of BRAC is probably preferable to lagging far behind fellow workers, particularly fellow workers whose productivity and work practices lag behind their own. In any case, to repeat: from Thunder Bay to Montreal the ILA is waiting.

5. The foregoing narrative is the context in which I make my recommendations for wage increases.

These are quite simple — the present basic rate paid comparable workers at Clarke Steamships, that is, a basic hourly wage of $4.50 an hour, effective at the beginning of this shipping season, and an 8% increase for the '73 season. Other rate classes would be adjusted across the board.

These rates would represent an increase of $1.12 an hour over the basic rate in effect in 1971, falling some .88c short of the union proposal.

6. Re: skill differentials and premiums for out-of-doors work as proposed by the union.

Given the interim nature of any settlement reached in this dispute I agree with the chairman's recommendations "that these demands be discarded at this round of negotiations."

The gist of the remainder of the chairman's comments and recommendations was that the present contract and its language would be carried on, except where he made a specific recommendation, which he did on the following points:

Overtime — overtime by the clock for all employees beginning work at 7 a.m. or after 6 p.m. if they come on the job at a

later hour than 7 a.m. It is my understanding, after a check with the chairman, that this recommendation in no way affects the .55c premium for Sat., Sun., and general holidays.

Minimum Call — a 5 hour minimum call shall be paid at prevailing rates on Sat., Sun. and general holidays.

Health & Welfare — weekly indemnity raised to $100 a week
life insurance benefits to be increased to $5,000 for each employee, $3,000 on his spouse and $500 for each child, all premiums to be paid by company.

Drug & Dental Plan — while the chairman rejected the union proposals in this regard he made it clear to me that the drug plan for employees in Québec remains in effect.

7. It is reasonable, given the scale of differences between the parties on money that the chairman should leave in abeyance the proposal for severance pay and a sick leave plan.

8. The recommendation of two general holidays made by the chairman, to go with those previously in effect, is a welcome and minor "sweetener" for the men.

9. I agree with the chairman's recommendations regarding vacations, bereavement pay, and technological change.

10. The chairman turned down the union request for definitions on gang size and load sizes, largely on the grounds that it would complicate issues already difficult enough, not because he felt this attempt to consolidate practices "into the book" was retrograde. I agree with his recommendation.

11. The balance of the chairman's comments and recommendations are minor, at least in the sense that if mediation or any other intervention brings the parties together again and puts an agreement in prospect, nothing in this section of the report will, in my opinion, take long in settling by the parties.

Conclusion:

A minority report by a member of a conciliation board who is not the chairman usually gets cursory attention, particularly from the officials and the Minister in the Department of Labour who, naturally enough, bend their efforts to bringing the parties towards the chairman's recommendations, if or when the latter have been rejected by the parties or by one of them.

I reiterate that the chairman's recommendations on wages are less realistic than my own and they do not take sufficient notice of either the ILA situation or the crushing penalty already suffered this season by the members of BRAC.

dated at Ottawa, this 19th day of August, 1972

(Sgn.) Douglas Fisher, union nominee.

To the Honourable Martin O'Connell
Minister of Labour
1372 Sir Wilfrid Laurier Building
340 Laurier Avenue West
Ottawa, Ontario

Separate Report of Member (Employer Nominee)

The report of the Chairman of this Board, Stanley H. Hartt, has been submitted to you under date of 17 August 1972, with a copy thereof to each of the Board members, Douglas Fisher and the undersigned. By Telex dated 18 August 1972 as confirmed by letter bearing same date, I informed you of my intention to submit a separate report which now follows:

Upon the following points, I am in agreement with the Chairman:

1. Due to the unavailability (prior to 14 August 1972) of a ministerial permit to exceed the statutory maximum number of hours of work per week, to date, during the present shipping season, the employees have experienced a loss of earnings from work with the Employer as compared with the previous season. (I note, however, that the Employer points out that these employees have enjoyed abnormally high incomes for some years in the past because of the very great number of overtime hours they have worked and that the wage rates presently in effect do not require long work days to earn a reasonable living nor can they be considered substandard.)

2. The Employer made a persuasive case for introduction of a two-shift operation at its extreme eastern (Montreal) and extreme western (Thunder Bay) terminals in order to effect faster turn around of vessels, in particular at Thunder Bay, thereby achieving a faster and more reliable delivery service for customers as well as a significant increase in the number of voyages per navigation season which would, in turn, enable the Employer to support reasonable increases in monetary benefits for the employees and also increase the work volume at intermediate ports along its system at which the availability of work has not exhausted the permissible number of hours.

3. A two-shift system (or some equivalent arrangement which would produce the flexibility in hours of work, call hours and work assignments which is necessary to achieve the results mentioned above) will have to be introduced sooner or later in order to resolve the problem created by the enforced abandonment of the 70-hour standard work week; that is, the work week must be brought into conformity with the Code and, at the same time, the Employer must be able to perform the available work.

4. It would have been preferable to resolve this problem at this time.

5. The Union refused to attempt to do so and indicated it would reject any Report which did.

Upon the following points, with respect, I disagree with the Chairman:

1. The Union made strong representations that implementation of a shift system would be refused. However, I am not persuaded that a report clearly setting forth and analyzing the various arguments would be rejected by the Union membership solely because such report recommended an immediate answer to the need of the Employer to improve its efficiency, since such a recommendation would enable the Employer to afford increased benefits thereby substantially mitigating the effect of the enforced reduction in individual work hours.

2. While one cannot ignore traditional working patterns in a community, I am not persuaded of the proposition advanced by the Union that in Thunder Bay operating on a two-shift basis would be a unique situation in the community; those details which were presented to the Board tended to indicate that in Thunder Bay multi-shift operations are at least as common as single shift operations; for example, Abitibi Paper, Great Lakes Paper, Can Car, Port Arthur Shipbuilding and grain elevators.

My recommendations are made on the basis of my conclusions on the foregoing particular points of a general nature. Before proceeding to consider them, however, it is imperative to note that, apart from an initial meeting at which both parties presented the Board with written statements of their respective positions, the

work of the Board was an attempt to conciliate the parties. This took the form of meetings between the Chairman and each party separately in the presence of that party's Board nominee. What common discussion did occur was largely a statement of attitudes and not a presentation of evidence in support thereof.

While this procedure was appropriate in the circumstances considering the delays involved, the situation must be taken into consideration when appreciating not only the separate reports which may be filed but also the report of the Chairman.

As the Chairman points out, his report is an attempt, in the time at his disposal, to propose a solution which would "maximize the chances" that it would be accepted by both parties; it is not an attempt to objectively decide the issues separating the parties on the basis of a full investigation.

(He has proposed that such investigation be carried out by a tripartite committee over the life of the agreement which, he hopes, will be signed by the parties according to the terms of his report. I note that while such an investigation may be appropriate if an interim solution is adopted, I did not agree, as might appear from the Chairman's report, that it was the better course to adopt such a solution).

Essentially, the solution proposed by the Chairman involves the rejection of the Employer's need to rationalize its operations in order to make it possible to grant the employees a very favourable level of benefits. During the hearings, the Employer, at the request of the Chairman, presented a firm monetary offer. It contained two alternative proposals one of which was based upon the introduction of the shift system (copy attached as Annex "A"). The benefits under this proposal were significantly in excess of the benefits which the Chairman has proposed in his report. However, since the Union representatives were unwilling to consider any improvement in the Employer's capacity to improve its level of profitability, the Chairman has felt obliged to reject the Employer's proposal.

Instead, he has recommended a level of benefits which, in my opinion, exceeds the current norms.

(Roughly calculated, the Employer has indicated that the recommendation is equivalent, in the first year, to a 21.85% increase to the Company on its costs of employing this labour force and, in the second year, to a further 8.8%. This breaks down as follows: wages, 10% the first year and 8% the second year pyramided; welfare 4%; holidays 1.1%; vacation 2.7%; overtime 4%. In addition there are some cost increases which are minor and not readily quantifiable such as stand-by pay, bereavement leave and travel allowance improvement. The increased overtime cost is due to the reduction of hours during which basic rates may be paid according to the Canada Labour Code and the permit granted by you allowing excess overtime hours.)

In large measure this recommendation has been made on consideration that "the present wage settlement would be considered as part of the compensation for lost income which will be discussed at such time" at which, the Union, facing reality, agrees to the introduction of a shift system.

In my opinion, the justification on which the Chairman's suggestion is based is not realistic. It is simply impossible for a Union to bargain at some future time on the basis that at some time in the past it has been paid in advance for accepting a Company demand. Moreover, to proceed on the contrary view is to compound the difficulties which must eventually be faced.

It should also be noted that the monetary demands of the Union were essentially founded on a comparison with the trans-ocean freight industry with which the Union indicated it must eventually achieve parity.

The Employer, however, pointed out that labour costs in this latter industry can always be passed on to the user since all trans-ocean carriers calling at a port are affected equally and shippers have no alternative method of transportation. The Employer, however, operates in the inland transportation of package freight in which industry it competes with other modes of transportation, i.e. rail and truck. To be obliged to accept labour costs based on a separate and distinct industry would result in the Employer being unable to remain competitive.

The object of the work carried out in both industries is, of course, similar in that it involves loading and unloading of ships. However, the Company has noted that the two situations are not comparable. There exist substantial differences in the techniques and equipment by which the two groups of employees carry out their work, the employees under consideration working in a much more mechanized and decasualized context.

In my opinion, it appears to me therefore very doubtful that the employees would refuse a "fair deal" solely on the ground that it falls below the hourly wage level paid in the trans-ocean freight industry.

Finally, while the Chairman in his report points out that increased revenues and improvements in efficiency are the foundation of the ability to pay fair and decent increases in wages, nevertheless, he has recommended what he terms "a most significant wage increase" but has not recommended the efficiency improving measures that the Employer has proposed.

In my opinion, the Chairman's proposal must inevitably involve rejection by the Company since it was forcibly asserted by the Employer that such a proposal would eliminate the Company's ability to operate at any level of profitability under the existing structure of Canadian Freight Rates.

I would first of all recommend a solution in terms of the introduction of a shift system with related increased benefits and guarantees in the terms which were proposed by the Company. As noted, this proposal was made by the Employer in response to a request from the Chairman during his attempt to conciliate the parties.

Since I recognize, however, that you may consider it appropriate to defer a final solution for a two year period while the matter is considered by a tripartite committee, I recommend that any interim solution ought to be based on the realities of the existing situation and the general norms which apply to this industry. It is inappropriate, in my view, to recommend an interim solution to the problem which is excessive on the ground that the excess will be taken into consideration during future negotiations.

Accordingly, it is my subsidiary recommendation that an interim settlement proposal be implemented which touches mainly wages and is in keeping with the level of increases currently being arrived at in other industries; to wit, an 8% wage increase in the first year and an additional pyramided 8% in the second year with no improvements in fringe benefits in view of the additional 4% increase in the cost of overtime.

I concur with the Chairman's recommendations regarding skill differentials and premiums for out-of-doors work.

Overtime, Call Hours, Minimum Calls

I concur with the Chairman's recommendations.

Health and Welfare

I recommend no change.

Severance Pay, Sick Leave

I concur with the Chairman's recommendations.

General Holidays, Vacations

I concur with the Chairman's recommendation that two extra General Holidays namely Christmas Day and New Year's Day be granted. I also concur with his recommendation concerning vacation entitlement based on seniority. However, I am unable to concur

with the Chairman's rationale that General Holidays be paid on the basis of 10 hours when the normal work day is 8 hours; similarly, I cannot concur with his rationale that a week's vacation pay be 60 hours when the normal work week is 40 hours. Apart from the foregoing, I recommend no change.

Bereavement Leave, Technological Change, Gang and Load Sizes, Pension Plan, Work Rules, Seniority Protection, Full Time Union Officers, Section "B" – Expenses re Valleyfield, Section "F" – Preamble, Section "F" – Article I, Section 2, Section "F" – Article II – Extra Men, Section "F" – Article VI, Section 1, Section "F" – Article VII, Section 3.

I concur with the Chairman's recommendations.

Recognition, Access of Union Officers to Company Premises, Section "A", Article III, Clause 3, Seniority, Paid Hours of Work, Working Conditions, Conditions of Employment, Work Rules – Article VII, Adjustment of Grievances, Promotions, Checkers.

I concur with the Chairman's recommendations.

I also share the Chairman's enthusiasm for a redrafting of the contract so as to eliminate ambiguity, contradiction and redundancy.

In conclusion, I reiterate that the Union rejected out-of-hand the Company's proposal for the introduction of a shift system which would have enabled the Company to enhance its monetary offer even beyond the settlement recommended by the Chairman. Without a shift system, the Company cannot support the settlement proposed by the Chairman. This negotiation is the appropriate time for a solution of this problem.

Most importantly, there is no doubt in my mind that, if the outmoded practices that exist are reaffirmed, the gulf that must eventually be bridged has been widened.

MONTREAL, August 25, 1972

(Sgd.) D J. A. MacSween,
Member of Board.

ANNEX "A"

PROPOSAL BY

CANADA STEAMSHIP LINES LIMITED

TO

BROTHERHOOD OF RAILWAY,

AIRLINES AND STEAMSHIP CLERKS

EXPRESS AND STATION EMPLOYEES

BEFORE A BOARD OF CONCILIATION AND INVESTIGATION

ON

AUGUST 10, 1972

Upon applying for renewal of the permits to exceed the maximum hours of work, pursuant to section 33 of the Canada Labour Code (Part III – Labour Standards), that were granted prior to the opening of navigation in 1971, and being advised that it is the policy of the Department of Labour to consider requests for these permits only toward the end of the averaging period or of the shipping season, our interpretation of this response by the Department was that it was cautioning the company to arrange its affairs, including renewal of labour agreements, in compliance with the Code and with reasonable foresight as to probable events. It is our understanding that the responsibility for compliance with the Code rests solely with the employer and not with the employees or any bargaining agent representing them, and that fines are provided for non-compliance. The Department, however, recognizing that unforeseeable events do occur, left open the possibility of a permit being granted should events transpire that a prudent management could not anticipate. Subsequent discussions with the Department of Labour reinforced this interpretation, as did the independent investigations by BRAC, and the views of the Conciliation Officer before whom the parties appeared. Consequently, our proposals to date in this negotiation have continued to be framed around the Code.

An explanation of the present dilemma in these negotiations by the Union has elicited the response from the Department that they would now favourably consider applications for permits to resolve the impasse.

In framing the legislation the Department must have anticipated that readjustments in some sectors would be necessary, otherwise why the need for the legislation? We are surprised that the Department would subvert its own aims and are fearful that although permits will be granted for 1972 and 1973 the resolution of the problem has only been postponed. For this reason we cannot unreservedly welcome this new development, but as it does allow more time for solution of the problem we offer the following proposal for a two-year contract from date of signing in a spirit of hoping to be able to avoid the economic hardships that inevitably arise from protracted labour disputes.

Our proposal is based on the anticipation of securing permits for 480 excess hours in the 37-week averaging period. We wish to point out that the major beneficiary of this proposal will be the Lakehead group, as it is principally at that location that an amount of work is available to allow them to earn the greater number of overtime hours that must now be paid. In composing its offer, the company must take account of the cost of this additional overtime, which itself represents an approximate earnings increase to Lakehead employees of 10%. Translated into an overall cost increase this overtime alone represents 4 to 5% on top of which other improvements must be added.

At the same time we are tabling a complete package proposal based on the institution of shifts at Montreal and Thunder Bay. For the Lakehead employees we are well aware that no increase package that we can afford will completely make up for the reduced earnings opportunities that will occur if shifts are implemented. We feel, however, that a more equitable distribution of the improvements that we can reasonably propose will result from a proposal incorporating shifts. Employees at the Lakehead have for some years enjoyed a considerably better earning potential than those at other locations and without the implementation of shifts the gap between the "haves" and "have-nots" will widen.

The desire on our side to implement shifts at Montreal arises from different reasons. At that location we have three separate groups in the shed, on the ocean wharves and on the boat. The "boat gang", because there are only two boats per week only have the opportunity to earn about 30 hours. Changes in operating methods now being promoted by the National Harbours Board will with certainty result in the elimination of the work available to the "wharf gang". Under existing arrangements we have no way of protecting the jobs of these employees. The shift proposal for Montreal incorporates the elimination of the different groups and the formation of one work force all of which would share equally in

the available work. No additional employees would be hired, the continued employment of the "wharf gang" would be protected, the earnings opportunity of the "boat gang" members would be enhanced and because of the transfer of much of the work done now on the ocean piers to our own shed and also natural attrition, no reduction in the earning potential of the present "shed gang" is anticipated.

We emphasize that in drawing up these proposals no attempt was made to use contractual language, but we hope that the intent is clearly understood. It is hoped that these proposals will lead to continued discussion through which final agreement in detail can be reached.

Proposal With Excess Hours Permits

1. All conditions as outlined in our written submission to the union at the start of negotiations to apply.
2. Duration of contract: 2 years from date of signing.
3. Wages: pyramided increase of 5% in the first year and 6% in the second year.
4. Holidays: 2 additional holidays per year will be Christmas Day and New Year's Day.

   All holidays will be paid at 8 hours at regular rates.

   These two off-season holidays will be paid in the last pay period of the season.

   To be entitled to pay for these two off-season holidays an employee must have worked a minimum of 1200 hours in the season.

   General holidays will not be paid to employees absent on account of sickness except as provided in the Code.

   Rates of pay for hours worked on general holidays as provided for by the Code.
5. Vacations: will be based on a percentage of total season earnings and entitlement will be as follows:

1	to	4	seasons service	6%
5	to	9	seasons service	8%
10	to	14	seasons service	10%
15	and more		seasons service	12%

6. Bereavement leave as requested in Union proposals.
7. Health and Welfare:

Life Insurance:	Employee	$5000
	Spouse	3000
	Child	500

   Weekly indemnity: $75.00 per week for 26 weeks.
8. All checkers to be paid on an hourly basis.
9. Senior men will get overtime until their permissable hours are used up, after which the company has the right to call junior men first. This provision will apply from week to week.
10. On Saturday or Sunday, half the work force can be called to allow a seven day coverage of operations while giving one day of rest each week.
11. There will be no relief drivers. This was instituted as a safety measure when gasoline machines were used in ships' holds to avoid prolonged exposure to carbon monoxide concentrations. As electric machines are now generally employed, the danger is no longer present.
12. Call hours: No change from present. Union guarantees that all call hours will be respected.

    No change in minimum calls.
13. Overtime: One and one half times prevailing rate —

    will be paid after 8 hours work in one day, or after 1800 hours on Monday through Friday.

    Will be paid for work on Saturday and Sunday & holidays.
14. Hours of work: Lakehead guarantees that the work day will extend to 2100 hours and that men will report back after the evening meal hour.

    No change from existing conditions at other ports.
15. Classification of Employees:

Class I	Assistant Foremen (Hourly) Crane Operators
Class II	Operators Mechanics Checkers Coopers
Class III	Freight Handlers

16. Rates of pay:

Class	1st year	2nd year
I	4.00	4.24
II	3.70	3.92
III	3.55	3.76

Proposal With Shift System

1. All conditions as outlined in our written submission to the union at the start of negotiations to apply.
2. Duration of contract: 3 years from date of signing.
3. Wages: pyramided increases of 12% in the first year,

   8% in the second year and 7% in the third year.
4. Shifts will be instituted at Montreal and Thunder Bay.
5. Shift differential: 15c per hour.
6. At locations where shifts are instituted, a guaranteed annual minimum wage exclusive of vacation pay equivalent to 30 weeks of 40 straight time hours and 8 overtime hours will be guaranteed. The guarantee will apply only to employees on the seniority roster, and the roster will not be reduced from its present state. The guarantee will be reduced by absences due to sickness or injury occuring on or off the job. The guarantee will be reduced by events beyond the company's control, such as seamen, Seaway or railway strikes.
7. The gang system at Montreal will be abolished.
8. Holidays: 2 additional holidays per year will be Christmas Day and New Year's Day.

   All holidays will be paid at 8 hours at regular rates.

   These two off-season holidays will be paid in the last period of the season.

To be entitled to pay for these two off-season holidays, an employee must have worked a minimum of 1200 hours in the season.

General holidays will not be paid to employees absent on account of sickness except as provided in the code.

Rates of pay for hours worked on general holidays as provided for by the Code.

9. Vacations: will be based on a percentage of total season earnings and entitlement will be as follows:

1	to	4	seasons service	4%
5	to	9	seasons service	6%
10	to	15	seasons service	8%
15	and more		seasons service	12%

10. Bereavement leave as requested in union proposals.

11. Health and Welfare:

Life Insurance:	Employee	$5000
	Spouse	3000
	Child	500

Weekly indemnity: $75.00 per week for 26 weeks.

12. All checkers to be paid on an hourly basis.

13. Senior men will get overtime until their permissable hours are used up after which the company has the right to call junior men first. This provision will apply from week to week.

14. There will be no relief drivers.

15. Call hours: at ports where shifts are not instituted, there will be no change from existing calls or minimum calls.

16. Overtime: one and one half times prevailing rate.

will be paid after 8 hours work in one day, or after 1800 hours on Monday through Friday.

will be paid for work on Saturday and Sunday.

17. Classification of employees:

Class I	Assistant Foremen (Hourly) Crane Operators
Class II	Operators Mechanics Checkers Coopers
Class III	Freight Handlers

18. Rates of Pay:

Class	1st year	2nd year	3rd year
I	4.27	4.61	4.93
II	3.95	4.27	4.57
III	3.79	4.09	4.38

CANADA LABOUR RELATIONS BOARD

Reasons for Judgment in Application for Certification Affecting

Canadian Transportation Workers' Union No. 188, National Council of Canadian Labour — **(Applicant)**

and

Kel Truck Service Ltd. — **(Respondent)**

and

Teamsters, Chauffeurs, Warehousemen and Helpers Union, Local No. 880 of the International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers of America — **(Intervener)**

The Board consisted of A. H. Brown, Chairman, and E. R. Complin, J. A. D'Aoust, Jacques Guilbault, R. C. Smith, and W. T. Wilson, Members. The Judgment of the Board was delivered by the Chairman.

Reasons for Judgment

1. Frederick Transport Limited (hereinafter called Frederick Transport) is a company incorporated under the laws of the Province of Ontario which carries on an inter-provincial and extra-provincial commercial freight transport undertaking for the transport of freight by road. It operates out of terminals at Chatham and Hamilton in the Province of Ontario and its operations extend into points in the United States and in the Province of Québec. The Respondent is a company incorporated under the laws of Ontario which under an arrangement with Frederick Transport provides drivers' services to drive the road haul equipment operated by Frederick Transport in the latter's freight transport undertaking.

2. The Applicant, a trade union, has applied to the Board to be certified as bargaining agent for a unit of employees of the Respondent consisting of the drivers so provided by the Respondent to Frederick Transport under the aforesaid arrangement to drive the road haul equipment operated by that company in its freight transport undertaking excluding owner-operators who drive their own road haul tractors.

3. Based upon the report of the Board's Investigating Officer following upon his checks of the payroll records of the Respondent and the membership records of the Applicant as of the date of the application, April 26, 1972, the Board finds that there are 7 employees in the proposed unit all of whom are members in good standing of the Applicant.

4. The Respondent does not oppose the application. However, the Intervener, a trade union, has intervened to oppose the application. The grounds therefor are set forth in the Intervener's reply to the application which reads in part as follows:

"The Intervener represents the employees in the Bargaining Unit proposed by the applicant herein pursuant to a Certificate of this Board dated May 9, 1969, because of the circumstances hereinafter related."

The Intervener is a trade union and has been so recognized by the Canada Labour Relations Board and, in particular, has been so recognized in an application for certification of Kent Driver Services Limited, Merlin, Ontario, C.L.R.B. file 7-66-2161

The Respondent Union was certified as bargaining agent of the said Kent Driver Services Limited on May 9, 1969 and subsequently a collective agreement was entered into between the parties which expired on the 31st. day of December, 1971.

The parties have been unable to achieve a new collective agreement and, at the present time, the Intervener is on strike against the said Kent Driver Services Limited.

The said Kent Driver Services Limited was found, as a fact to be owned and controlled by the same persons as Frederick Transport Limited and Frederick Trucking Limited, both of whom, are trucking companies who were the sole users of the driver employed by Kent Driver Services Limited in the reasons for Judgment in the Application for Certification above.

Since the commencement of the strike against the said Kent Driver Services Limited, the persons who own and control all three companies referred to above are now purported to provide driver services through the Respondent herein, Kel Truck Service Ltd., of Chatham, Ontario, which is acting as the agent and alter ego of the said Kent Driver Services Limited for the purpose of breaking the strike herein.

A search of the corporate records of the company's branch in the Province of Ontario indicates that the Directors of Kel Truck Service Limited are —

(as of March 31/71) — Charles Frederick,
George Frederick,
Robert M. Frederick, and,
Thomas Broadwood, and the
Directors of Kent Driver Services Limited
(incorporated April 21, 1966) were —

(as of March 31/71) — Charles Frederick, Director & President,
George Frederick, Director & Secretary,
Thomas Broadwood, Director & Treasurer

On May 7, 1972, the head office of the company changed from Chatham to London. Charles and George Frederick and Thomas Broadwood resigned, two of whom were replaced by

Erle A. Scott, Director,
1609 Dundas St.,
London, Ont., and
Helen McCleod,
9 Grosvenor,
London, Ont., no one filled in as third director...

No indication of Officers, but the two above named signed as President and Secretary, respectively. . . . . .

It is therefore submitted that the Respondent herein is not a valid and subsisting corporation for the purpose of carrying on business, but is merely a screen to serve as a device to permit Kent Driver Services Limited to ignore their duty to bargain with the Intervener."

5. On the evidence given at the hearing held by the Board on the application on June 21, 1972, the Board finds that there is a common ownership of the shares of Frederick Transport and the shares of the Respondent held by the members of the Frederick family and the persons who are the directors and executive officers of Frederick Transport also act in the same capacities for the Respondent. The Board is of opinion on the evidence that the minds directing the operations of the Respondent are identical with those directing the operations of Frederick Transport. According to the Respondent's evidence, the operational relationship between the Respondent and Frederick Transport is based upon a verbal arrangement between them which, as regards the supply of drivers working out of the Hamilton terminal of Frederick Transport, has extended back to May 1971 and as regards the supply of drivers working out of the latter's Chatham terminal, has been in effect since March 1972 at the time of the strike of drivers referred to in the Intervener's reply which is set forth above. Under this arrangement the Respondent provides drivers and mechanics for Frederick Transport as required by the latter to drive and maintain the road haul equipment operated by Frederick Transport in its freight transport undertaking. The drivers and mechanics so supplied are carried on the payroll of the Respondent as its employees and are paid for services rendered by them by cheque issued by the Respondent. The Respondent remits to the appropriate government authorities unemployment insurance contributions and income tax deductions as employer of these employees. The Respondent is reimbursed by Frederick Transport for the amounts disbursed by it for remuneration paid these employees as drivers of Frederick Transport equipment and any other disbursements made by the Respondent in respect of their employment. These amounts are billed monthly to Frederick Transport by the Respondent. Frederick Transport keeps all accounts and handles all accounting involved in the operations of the Respondent. The Respondent has no assets of its own. The employees carried on the Respondent's payroll are employed exclusively on Frederick Transport operations. According to the evidence of the Respondent, Frederick Transport exercises complete control and supervision over the work performed by the drivers provided to it by the Respondent and the sole function of the Respondent is to sign cheques to pay them. Frederick Transport may refuse to accept a driver assigned by the Respondent or may dismiss any driver provided by the Respondent from further service in the operations of Frederick Transport.

6. The Board concludes on the evidence that the Respondent, if it is to be regarded as a separate undertaking as claimed by the Applicant and the Respondent rather than a part of the Frederick Transport undertaking which in the Board's opinion it is, functions in any event simply as agent for Frederick Transport in the recruitment of drivers and other personnel who may be required by that company in the operation of its undertaking and as paymaster on behalf of the latter company in respect of the employees so provided and carried on the Respondent's payroll. The Board concludes that in any event the employees in the proposed bargaining unit for which the Applicant seeks certification as bargaining agent are employees

of Frederick Transport rather than employees of the Respondent and so finds.

7. The evidence is that Frederick Transport uses also the services of another firm called the Razeb Employment Agency, which has its office at Chatham, Ont., and in which it has no ownership interest, to secure drivers and maintenance personnel required by Frederick Transport in its freight transport undertaking and that at the time of the hearing some 20 drivers were employed in the Frederick Transport undertaking whose services had been secured by Frederick Transport through the Razeb Employment Agency, apart from the seven drivers secured through the Respondent. The Respondent's evidence is that the arrangements between Frederick Transport and the Razeb Employment Agency for the supply and payment of drivers, which are verbal, are the same as those in effect between Frederick Transport and the Respondent except that the Razeb Employment Agency issues the pay cheques for these drivers. Frederick Transport exercises the same control and direction over the work of drivers so supplied to it by the Razeb Employment Agency as are exercised by it over the drivers supplied to it by the Respondent. The drivers supplied by Razeb Employment Agency are paid on the same basis and in accordance with the same rates established for and applicable to the drivers supplied by the Respondent. On the evidence of the Respondent it would appear that these drivers are employees of Frederick Transport.

The application is rejected in view of the finding of the Board that the employees in the proposed bargaining unit are not employees of the Respondent. In view of this decision it is unnecessary for the Board to make findings on other issues raised by the Intervener including its contention that any unit of employees of Frederick Transport consisting of drivers employed by that company should include all such drivers including those supplied by the Razeb Employment Agency and that a unit confined only to drivers secured through the Respondent would be inappropriate for collective bargaining.

(Sgd.) A. H. Brown,
Chairman
for the Board.

Dated Ottawa, July 18, 1972.

Reasons for Judgment in Application for Certification Affecting

General Truck Drivers and Helpers Local Union No. 31 (hereinafter referred to as Local 31), General Teamsters Local Union No. 362 (hereinafter referred to as Local 362) and General Drivers, Warehousemen and Helpers Local Union No. 979 (hereinafter referred to as Local 979), of the International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers of America **(Applicants)**

and

Johnston Terminals Ltd. **(Respondent)**

The Board consisted of A. H. Brown, Chairman, and E. R. Complin, J. A. D'Aoust, Gérard Picard, R. C. Smith, and W. T. Wilson, Members. The Judgment of the Board was delivered by the Chairman.

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1. The Applicants are trade unions within the meaning of Part V of the Canada Labour Code (Industrial Relations.) The Respondent is a company incorporated under the Companies' Act of British Columbia with head office at Vancouver, B.C., and is registered also to do business in the provinces of Alberta, Saskatchewan, Manitoba, Ontario and Québec. The Respondent is a wholly owned subsidiary of another company incorporated in British Columbia with head office at Vancouver namely Johnston Terminals & Storage Ltd. hereinafter called the "Parent Company."

2. The Applicants applied under date of August 6, 1971, to be certified as bargaining agent for a unit of employees of the Respondent described in the application as consisting of employees of the Respondent including owner-operators working at or from various points in the Province of British Columbia and employees working at or out of Edmonton and Calgary in the Province of Alberta and employees working at or out of Winnipeg in the Province of Manitoba excluding employees at Powell River and Ocean Falls, B.C., and longshoremen employed at the Surrey Docks in the Province of British Columbia and excluding office and sales employees and persons exercising management functions or employed in a confidential capacity in matters relating to labour relations and excluding also operating engineers who are represented by the International Association of Operating Engineers Local 115 as bargaining agent and mechanics employed at Vancouver, Victoria and Nanaimo, B.C., who are represented by Automotive Lodge 1857 or Automotive Lodge 219 of the International Association of Machinists and Aerospace Workers.

3. According to the report of the Board's Investigating Officer following his discussions with the parties to the application to clarify the classification of employees included in the proposed bargaining unit and his check of the payroll records of the Respondent at the date of the application for certification and the membership records of the Applicants as of the same date, there are 838 employees of the Respondent in the proposed bargaining unit of whom 806 are members in good standing of the Applicants. There were no subsequent employee withdrawals from membership in the Applicants reported. Of this total of 838 employees in the proposed bargaining unit, 740 worked at or out of points in British Columbia and these have been covered by a master collective agreement between Local 31 and the Automotive Transport Labour Relations Association and its members comprising upwards of 90 road transport freight carrier companies operating in British Columbia including the Respondent and running for a term from January 1,

1971 to December 31, 1971; and 69 employees worked at or out of points in the Province of Alberta and these are covered by a collective agreement Local 362 and the Respondent running for a term from January 1, 1971 to December 31, 1972; and 29 employees worked at or out of points in the Province of Manitoba and these are covered by a collective agreement between Local 979 and the Respondent running for a term from January 1, 1971 to December 31, 1972. The bargaining relationship between Local 31 and the Respondent as regards the British Columbia based employees of the Respondent was established initially by virtue of an order of the British Columbia Labour Relations Board issued some years ago certifying Local 31 as bargaining agent for that group of employees. Collective bargaining between Local 31 and the Respondent for this group of employees has heretofore been carried on under British Columbia labour relations legislation.

4. The apparent objectives of the present application made jointly by Locals 31, 362 and 979 are to consolidate in one bargaining unit the employees of the Respondent working in and out of the Provinces of British Columbia, Alberta and Manitoba and to include persons described as owner-operators in this unit and to establish that the Respondent's operations in British Columbia and in the other western provinces upon which the employees of the Respondent in the proposed bargaining unit are employed constitute or are part of a federal undertaking or business to which the provisions of Part V of the Canada Labour Code apply.

5. As the present application for certification dated August 6, 1971, was made before the expiry of ten months of the respective terms of the collective agreements referred to in paragraph 3 above, the Applicants in submitting the application for certification requested leave of the Board to make the application at that time as is required by subsection (4) of Section 113 of Part V of the Canada Labour Code giving as reasons therefor that the application involved the consolidation of existing bargaining units and the determination of any issues of jurisdiction that might be raised as to the application of the provisions of Part V of the Canada Labour Code to employees in the proposed bargaining unit and their employer. In making this request, the Applicants undertook to honour the existing collective agreements referred to in paragraph 3 above during the respective terms thereof. The Board reserved its decision on this request pending the investigation of the application for certification and until the hearing on the application. In the circumstances and in the light of the undertaking given the Board grants leave to make the application.

6. The Respondent in its contestation of the application and its Reply thereto submits inter alia that "the application is not within the jurisdiction of the Canada Labour Relations Board as the business conducted by the Company does not constitute a federal work, undertaking or business that is within the legislative authority of the Parliament of Canada; the general nature of the company's business not being a work or undertaking connecting any Province with other or others of the Provinces nor extending beyond the limits of a Province; the business of the company being conducted generally within the individual provinces of Canada and within the exclusive authority of the provincial legislature of such Provinces."

   A hearing on the application was held by the Board on February 3 and 4, 1972, at which evidence was adduced by the parties and argument advanced by counsel for each of the parties. These oral arguments were supplemented by additional written argument submitted by counsel for the parties.

7. According to the Respondent's evidence, the Parent Company put into effect in stages in a period between June 1971 and November 1971 a substantial corporate reorganization plan titled "Johnston Terminals & Storage Ltd. Corporate Re-alignment Plan, June 15, 1971" involving and modifying the scope of the operations of a number of its wholly owned subsidiary companies including the Respondent and their relationships with the Parent Company and to each other. The contention of the Respondent is that the effect of this reorganization as substantially implemented by November 1971 was to divest the Respondent of all the extra-provincial and interprovincial road transport operations which it had carried on prior thereto, by the transfer of these activities and the interprovincial and extra-provincial road transport operating authorities theretofore held by it to Shorty's Transport Ltd. which is now another wholly owned subsidiary of the Parent Company and by divesting the Respondent of its longshoring operations carried on in connection with the loading and unloading and warehousing of freight on and off deep sea vessels at the Surrey Docks on the Vancouver Harbour waterfront by the transfer of these activities to Nanaimo Stevedoring Ltd. now another wholly owned subsidiary of the Parent Company. The Respondent's evidence is that its road transport operations as now carried on are confined to the intra-provincial transport of freight and to freight warehousing and freight loading, forwarding and unloading operations and to the unloading and loading, and warehousing of freight at the Respondent's docks at Cambie St., Vancouver, and that these operations are wholly intra-provincial in their nature.

8. As the functions of the Board in certification proceedings involve the establishment of the state of affairs to govern the future conduct of the parties thereto rather than the making of a finding as to their rights and status in relation to past events, it is necessary for the Board to review in detail and consider all relevant facts concerning the scope and nature of the Respondent's operations and relationships up to the time of the hearing before the Board as established by the evidence presented to the Board, particularly in view of the arguments made by counsel for the parties on the issues of jurisdiction which have been raised.

9. As regards the implementation of the Johnston Terminals & Storage Ltd. Re-alignment Plan, the Respondent's evidence is that a share takeover offer was made to the majority shareholders of the Parent Company in the spring of 1971 for the purchase of the shares of the Parent Company including the shares of all its subsidiary companies and was accepted at that time. Following upon such acceptance the then existing board of directors of the Parent Company and its executive officers were replaced by a new board of directors and new executive officers except as to the former vice president and general manager thereof J. N. Methven who was continued as President and General Manager thereof. The Parent Company became the beneficial owner of all the shares of the subsidiary companies and was converted from a public company to a private company. The evidence is that the directors and the new executive officers of the subsidiary companies including the Respondent were in effect the appointees of the board of directors of the Parent Company. A number of the subsidiary companies which had been wholly owned subsidiaries of the Respondent and which operated under the direction of the Respondent were placed in a directly subordinate position to the Parent Company for operational purposes and the beneficial ownership thereof was taken over by the Parent Company from the Respondent. According to the evidence these included Shorty's Transport Ltd., Nanaimo Stevedoring Ltd., Johnston Forwarding Co. Ltd., Johnston National Air Freight Forwarding Ltd., and Johnston National Leasing Ltd.

In addition to the Respondent and Shorty's Transport Ltd. there are other subsidiaries of the Parent Company which appear to be actively engaged in road transportation such as Public Freightways Ltd. although detailed information as to the nature of its activities was not given, and Rempel-Trail Ltd. a road freight transport company which has been before the Board in earlier proceedings. Apart from these operating companies there is evidence indicating co-ordination of other transportation activities under the Parent Company. The road equipment used by the transportation subsidiaries of the Parent Company is obtained by these companies upon a long term lease basis from another subsidiary thereof namely Johnston National Leasing Ltd. and is maintained for Johnston National Leasing Ltd. by J. T. Services Ltd. The operating transportation subsidiaries lease the equipment with maintenance except in the case of owner-operators who own and maintain their own equipment.

The current executive officers of the Parent Company are reported to be as follows: President and General Manager — James Methven; Vice President Finance — R. Granholm; Vice President Sales — W. McKinney; Vice President Transportation Services — I. Froese; Assistant Secretary — R. London.

The current executive officers of the Respondent are reported to be:

President and General Manager — James N. Methven
Vice President, Administration, and Secretary — R. Granholm
Vice President, Sales — W. McKinney
Vice President, Transportation Services — Irwin Froese
Assistant Secretary — R. London.

As regards Shorty's Transport Ltd. the directors are James Methven and R. Granholm and the executive officers are President — James Methven; General Manager — I. Froese; Secretary and Chief Financial Officer — R. Granholm; Operating Supervisor — J. Arden.

10. The action taken for the transfer of the interprovincial and extra-provincial road transport operating authorities held by the Respondent to Shorty's Transport Ltd. was initiated by the completion of an agreement between the Respondent as Vendor and Shorty's Transport Ltd. as Purchaser whereby "The Vendor agrees to sell and the Purchaser agrees to purchase for the price of One Dollar ($1.00) (herein called the 'purchase price') the good will of the Vendor more particularly described under its Conditions of Licence issued by the Public Utilities Commission for the Province of British Columbia" in the therein described road transport operating authorities which had been granted to the Vendor for the interprovincial transport of general cargo and household goods and the extra-provincial transport of specified types of commodities from British Columbia to points in the states of Washington and Oregon in the United States of America. The Purchaser undertook to apply to the B.C. Public Utilities Commission and the Vendor agreed to join therein for the transfer of these road transport operating authorities to effect the transfer thereof to the Purchaser and upon receipt of approval of such transfer, the Purchaser agreed to apply and the Vendor agreed to join in an application to the equivalent licensing authorities in the other jurisdictions to effect the transfer to the Purchaser of the complementary authorities issued to the Vendor by such licensing authorities.

Effect was given to this agreement by the approval given by the Public Utilities Commission of British Columbia to the said transfers of these operating authorities from the Respondent to Shorty's Transport Ltd. on October 15, 1971, for the movement by road transport of freight between points in British Columbia and points in the provinces east therefrom as far as Montreal in the Province of Québec and from points in British Columbia to points in the states of Washington and Oregon, U.S.A. Subsequent approval has been given by the provincial route licensing authorities for each of the Provinces of Alberta, Saskatchewan, Manitoba and Ontario for the transfer of the reciprocal provincial road transport operating authorities from the Respondent to Shorty's Transport Ltd. Approvals of the applications made to the Québec Transport Board and the United States Interstate Commerce Commission for the transfer to Shorty's Transport Ltd. of the reciprocal operating authorities granted by these licensing agencies to the Respondent had not been received up to the time of the hearing. The evidence of the Respondent is that the transport of freight under the operating authorities into and from the Province of Québec and into the United States has been held up pending the approval of the transfer of these reciprocal operating authorities to Shorty's Transport Ltd. Prior to the transfer of the Respondent's interprovincial operating authorities to it the scope of the operations of Shorty's Transport Ltd. in the interprovincial road transport of freight had been confined to transport between points in British Columbia, Alberta, Saskatchewan and Manitoba.

11. The evidence indicates that at least 100 employees of the Respondent are engaged at the present time in delivery services for Simpsons-Sears in Vancouver and that the Respondent is a party to other exclusive delivery contracts in Vancouver. Respondent engages in some household goods transport within British Columbia although this appears to be a minor operation.

12. The estimate given by the Respondent as to the percentage of its road transport business which is represented by the operating authorities transferred from it to Shorty's Transport Ltd. is that this would constitute less than one and one-half per cent of this business and the number of its driver employees who would be engaged in this area of the Respondent's business is estimated as from 3 to 5 employees. Following the transfer of the interprovincial road transport authorities to Shorty's Transport Ltd., 3 driver employees of the Respondent were transferred from the Respondent's payroll to the Shorty's Transport payroll. Eight drivers are presently engaged in Shorty's Transport Ltd. road haul freight operations including 5 who are owner-operators. Other than these drivers, there appears to be no other persons apart from management employed by Shorty's Transport Ltd.

13. Shorty's Transport Ltd. has a separate payroll and a separate bank account and has a separate checkoff of union membership dues for its employees although all its accounting is done for it in Vancouver either by the Respondent or by purchase from the Parent Company which sells computer time and services to the public. Shorty's Transport Ltd.'s domicile in Vancouver is in a section of a building in one of the Respondent's terminals and consists of two trailer berths reserved for it therein for which according to the Respondent's evidence, Shorty's Transport Ltd. pays rental to the Respondent. There are a specific number of freight pickup and delivery trucks of the Respondent assigned to this building. If and when Shorty's Transport Ltd. freight traffic requires pickup and delivery services there is a contractual arrangement between it and the Respondent for the Respondent's pickup and delivery trucks assigned to this area to make the pickup or delivery of Shorty's Transport Ltd. general freight when the latter's drivers are unable to handle it. In effect the pickup and delivery of freight in the Vancouver area for Shorty's Transport Ltd. is handled by the Respondent except where straight truck loads are involved in which case the Shorty's Transport driver delivers the load directly to the consignee. In Calgary the Respondent reserves one trailer berth

for Shorty's Transport Ltd. in its Calgary terminal on a rental basis and provides local pickup and delivery service for the latter as may be required when a Shorty's Transport Ltd. driver cannot do so. Respondent's supervisor at Calgary exercises supervision over both its own employees and Shorty's Transport drivers at that point. The respondent which has a freight and warehousing sales service in Vancouver and other points in western Canada and in Ontario and Québec solicits freight business for Shorty's Transport Ltd. as the latter has no freight solicitor of its own. Upon a separate application made to the Board under date of August 6, 1971, the Applicants herein applied to be certified as bargaining agent for a unit of employees of Shorty's Transport Ltd. Following a hearing thereon held at the same time as the hearing on the present application for certification, the Board by order dated March 14, 1972, certified the Applicants as bargaining agent for a unit of employees of Shorty's Transport Ltd. consisting of drivers including drivers of road haul equipment leased from the owners thereof excluding owner drivers.

14. The arrangements in force for the interprovincial and extra-provincial handling and transport of household goods constitute an operation which differs substantially from the operations involved in the handling and transport of general freight. These arrangements as described in the evidence are summarized in the following paragraph.

    The Respondent is a member of an agency, Allied Van Lines, established to provide for the handling and forwarding of household goods by road transport beyond provincial boundaries. The procedures followed for the outbound movement of such goods by the Respondent from Vancouver is described in the evidence as follows:

    > The customer wishing to move household goods to Toronto for example places his order with the Respondent who writes up and completes a contract with him for such delivery on standard Allied Van Lines documentation and reports the movement to the regional Allied Van Lines dispatch centre. This dispatch centre decides which carrier and trailer will move the goods. The assignment is given out in such order of priority as to keep the moving equipment currently available for extra-provincial transport at Vancouver in balance. For example Shorty's Transport Ltd. might have transport equipment available to effect such movement but if there are other tractors with trailers available in Vancouver which have come in from an outside point belonging to another member of Allied Van Lines which has priority on the dispatch line up, that equipment would be assigned to move the goods rather than the equipment of the company contracting with the customer for the movement of the goods. In the same way if a Vancouver freight road hauler who is a member of Allied Van Lines finishes a haul in Toronto for example his equipment goes into the line-up for outward dispatch therefrom in the same order of priority. This arrangement applies whether the tractor load goes entirely by road transport or by rail piggyback. The evidence is that in the movement of household goods inter or extra-provincially for a customer of the Respondent at Vancouver the trailer to be used therefor is loaded by the tractor driver assisted by at least one and usually two swampers employed by the Respondent and if loaded from storage in the Respondent's warehouse, the driver will do the loading together with the Respondent's warehouse employees. If a freight transporter coming into Vancouver with an Allied Van Lines' load of freight needs help to unload the trailer this may be secured from the Respondent. Sometimes when local labour is required for this purpose and the Respondent is unable to supply it, Local 31 may provide labour to do so. If incoming freight forwarded under the Allied Van Lines' agency is to be sent directly to the customer rather than to the warehouse the driver of the load, if an employee of another member of Allied Van Lines, may obtain employees of the Respondent to assist in the unloading if that other member has not employees available to do so.

    The Respondent's evidence is that several types of membership in the Allied Van Lines agency are available to those using its services in connection with the interprovincial transport of household goods viz. as a booker, or a hauler or as destination agent or as embracing all or some of these several membership categories. A booker can accept an order and if successful in the order will eventually receive a commission in respect thereof. Respondent's evidence is that while the Respondent at an earlier date had been a hauler under the Allied Van Lines membership category, all extra-provincial and interprovincial freight hauling operations had been terminated by the Respondent upon the transfer of Respondent's extra-provincial and interprovincial operating licences to Shorty's Transport Ltd. and the approval of such transfer by the B.C. Public Utilities Commission and that the Respondent's operations since that time as a member of the Allied Van Lines agency and at present is that of a booker and packer and the provision of warehouse services but not as an interprovincial or extra-provincial freight transporter.

15. In its rail pool car operations, the Respondent provides services to its customers for the pick up and delivery of less than carload lots at its own L.C.L. tariff rates. Upon receipt of the customer's order, the Respondent picks up the freight and takes it to one of its freight warehouses at or adjacent to railroad loading premises in the Vancouver area and there assembles a carload lot of freight from the orders received and loads this with its own employees on a railway car for transport to points either within or outside the province. The loaded car will be taken out by the railway company for transportation to the rail delivery point. Respondent will unload pool car freight coming into Vancouver for customers of the Respondent into its own freight warehouse and will thereafter deliver the freight to its several destinations in the Vancouver area. The rail cars thus involved may have been loaded by someone other than the Respondent but consigned to the Respondent for unloading and delivery of freight as above.

16. The Respondent carries on an air freight consolidation service for forwarding of freight by air from Dorval Airport in the Province of Québec and from the Toronto Airport in Ontario whereby the Respondent picks up and assembles the freight from the Montreal or Toronto area as the case may be in its warehouse space in that area and loads it on the aircraft as the carrier for delivery to major points in Western Canada. A similar service is provided in Vancouver for transport to Eastern Canada. The customer pays the Respondent for the service so rendered by it. Essentially this is the same type of operation as is involved in the case of the rail pool loading and forwarding operation.

    Particulars of the nature of the operations of the Respondent as presently carried on in other western provinces as described in the evidence are as follows: its operation in the province of Alberta is predominately a warehousing operation for assembly and loading or unloading and local delivery of outgoing or incoming freight from points within or without the province and in the distribution of pool car freight arriving in Alberta principally Calgary and Edmonton from points outside the province; its operation in the province of Manitoba is predominately freight warehousing and pool car freight consolidation

and forwarding of freight originating in Winnipeg for destination in Western Canada; it carries on also a pool car distribution operation in Manitoba as agent for Howell Forwarding Co. of Toronto, Ont., which originates freight in Toronto, Kitchener and Montreal for points in Manitoba; the freight arriving by rail car in Winnipeg is unloaded by the Respondent into its warehouse and delivered by the Respondent by truck in the Winnipeg area.

17. The Respondent owns and operates a dock at Cambie St., Vancouver, on False Creek sometimes referred to in the evidence as the False Creek dock where coastal vessels and barges servicing the Canadian West Coast as distinguished from international trade vessels which leave Canadian coastal waters, are loaded and discharged. This is an inland dock. The persons who load and unload these vessels are employees of the Respondent in the usual longshore classifications. At the dock the Respondent discharges barges containing pulp and paper with the use of forklift trucks. Respondent also loads and discharges small coastal vessels that ply up and down the B.C. Coast. This is a scheduled service. The Respondent employees may get into the barges if necessary to prepare them for loading and also unloading and place the unloaded freight into the Respondent's warehouse at or near the dock, using lift trucks for both loading and unloading purposes. The arrangements for the loading and unloading of these barges are made by the cargo owners and involve for the most part the use of small tugs to bring the barges to the dock. International trade vessels are not loaded or unloaded at this dock. The employees of the Respondent employed in this operation have been covered by the collective agreement between Local 31 and the Respondent which has been referred to above.

18. The Surrey Dock situated on the Vancouver Harbour waterfront is used, in the loading and unloading of cargo on and off deep sea vessels engaged in international trade from the ship's tackle to the dock and from dock to dockside warehouse and in the reverse process from warehouse to dockside and from dockside into the ship's hold. At the time of the application for certification the Respondent was engaged in that part of the movement of ship's cargo at this dock which consists of the movement of freight which has been unloaded from the ship by one of the Vancouver stevedoring companies onto the dock, from the dockside into the Respondent's warehouse and in the movement of freight from the Respondent's warehouse to ship's side for loading on the vessel by the stevedoring company. The employees of the Respondent employed on this operation have been covered by the collective agreement between the Respondent and Local 31. Following upon and as a part of the corporate structural reorganization, the Respondent's evidence is that this operation is now carried on by the Nanaimo Stevedoring Ltd. with its own employees as appearing on its payroll. Prior to the reorganization Nanaimo Stevedoring Ltd. was a wholly owned subsidiary of the Respondent and its directors and executive officers were appointed by the Respondent.

19. According to the evidence the Respondent holds itself out for hire in the movement of containers from deep sea docks in British Columbia area to storage warehouse temporarily or for direct delivery to customers principally in the Vancouver area but does not move such containers to points outside the province of British Columbia. The Respondent may take an order from a customer for container movement to a point outside the province as an agent for Shorty's Transport Ltd.

20. The Applicants submit that if the Board's decision is to be based upon the state of affairs existing at the time the application for certification was made, the Respondent's undertaking upon which the employees in the proposed bargaining unit are employed is clearly one to which the provisions of Part V of the Canada Labour Code apply and that it is in any event open to the Board to find and the Board should find that the actions of the Respondent and the Parent Company by the formulation of the corporate realignment plan of the Parent Company and in the implementation thereof was simply a method or device designed to defeat the application for certification by attempting to divest the Respondent of the interprovincial and extra-provincial aspects of its undertaking and the transfer of these activities to other subordinate and wholly owned corporate subsidiaries of the Parent Company. The Applicants submit that the Board should disregard "these corporate manipulations" and look to the substance of the way in which the operations of the Respondent are carried on rather than technicalities in its consideration of the collective bargaining relationships between the Applicants as bargaining agent for the employees in the proposed bargaining unit and the Respondent and the Parent Company and the latter's wholly owned other subsidiaries. The Applicants submit that in any event the corporate realignment plan as given effect to in the period up to the time of the hearing before the Board has not changed the nature of the Respondent's undertaking or operations upon which the employees in the proposed bargaining unit are employed and that this undertaking is still an extra-provincial and interprovincial undertaking.

The Applicants submit (1) that the agreement between the Respondent as Vendor and Shorty's Transport Ltd. as Purchaser of the good will and road transport operating authorities held by the Respondent was not an arms-length transaction as is evidenced by the lack of any valuable consideration passing thereunder to the Respondent and the common ownership and direction of the two parties thereto and should be ignored by the Board insofar as this transaction concerns the matter of labour relations between the Respondent and its employees engaged in its household goods division, and (2) that the pickup and delivery services and warehousing services provided on a regular and continuing basis by the Respondent in connection with the interprovincial transport of freight by Shorty's Transport Ltd. are part and parcel of this interprovincial transportation operation and undertaking, and that this operation could not in fact be carried on without the services provided by the Respondent by way of freight loading and unloading, warehousing and freight pickup and delivery or the clerical and accounting services and operational direction provided by the Respondent and the Parent Company and that it is not feasible to divide or break down the operation as thus carried on into two separate undertakings, one as an intra-provincial undertaking and the other as an interprovincial an extra-provincial undertaking and (3) that irrespective of whether the Respondent uses physical things such as warehouses and freight depots or non-physical things such as a related or subsidiary corporation to this same end, the Respondent is in fact carrying on an interprovincial undertaking.

As regards the operations carried on at the Surrey Docks, the Applicants submit that the business claimed by the Respondent to be carried on by Nanaimo Stevedoring Ltd. in the handling of ships' freight requires also the services provided thereto by the Respondent in order to function and that the relationship between the two companies in the direction of the work constitutes a single federal undertaking carried on by the Respondent or by the Respondent and Nanaimo Stevedoring Ltd.

As regards the stevedoring operations carried on by the Respondent at the dock at Cambie St. on False Creek, the Applicants submit that the evidence as to the nature of the

ships' freight handling services offered and provided by the Respondent at this dock establishes the extra-provincial nature of these operations and submits that those operations fall under the head of "navigation and shipping" and thus within the provisions of Part V of the Canada Labour Code citing as authority therefor the decision of the Supreme Court of Canada in the Eastern Canada Stevedoring Ltd. Reference case (1955) S.C.R. 529.

21. The Respondent submits that while the Respondent and Shorty's Transport Ltd. and Nanaimo Stevedoring Ltd. have common shareholders, the evidence is that each of these companies has its own management, pays its own employees out of its own funds and each company pays for services rendered or goods supplied to it and is responsible to its shareholders for the operation of its business and the development of profit and that each of the two companies engaged in road transport operations namely the Respondent and Shorty's Transport Ltd. have their own transport operating authorities. In the case of the Respondent, these are solely intra-provincial transport operating authorities and in the case of Shorty's Transport Ltd. these are interprovincial transport operating authorities. The Respondent submits that the reasons for the reorganization of the companies involved in the Parent Company's corporate realignment plan and indeed the reasons for the existence of these several separate companies are not relevant to the disposition of the application the significant fact being that each of these companies is validly in existence and is a distinct legal person no matter what community of interest there may be by reason of shareholding or other relationship.

22. An undertaking connecting two provinces within the meaning of Section 92(10)(a) of the B.N.A. Act must be carried on by or under the aegis of an organization of some kind. However, as the Empress Hotel case (1950) A.C. 122, indicates, an organization may, in fact, carry on more than one undertaking. Assuming for the moment that Johnston Terminals Ltd. and Shorty's Transport Ltd. constitute one single organization, in spite of their separate corporate entities, such organization could carry on more than one undertaking.

Most of the evidence adduced on behalf of the Applicants related to the existence of a single organization controlling the different activities of the Respondent and its related companies. The Board is unable, however, to find a sufficient degree of integration between the different operations of the Respondent and its related companies to justify a decision that they should all fall under the same legislative authority.

No operational relationship between transportation performed pursuant to special delivery contract (e.g., Simpsons-Sears in Vancouver) and the long-distance transportation operation carried on by Shorty's Transport Ltd. has been shown to the Board. The fact that some services ancillary to these two operations, such as maintenance, repairs or accounting services, are performed under one organization is not sufficient here to make these two unrelated businesses a single undertaking. The business carried on by Shorty's Transport Ltd. would fall, of course, under federal labour jurisdiction while the pickup and delivery operation of Johnston Terminals Limited would not.

Even if the above is sufficient to dispose of the application for certification the Board is also of opinion that the freight forwarding operations of the Respondent and its longshoring operations carried on at the Cambie St. dock would fall outside federal labour jurisdiction. As regards the longshoring operations formerly carried on by the Respondent at the Surrey Dock, while these operations fall within federal labour jurisdiction, the evidence is that these operations are now carried on by Nanaimo Stevedoring Ltd. and not by the Respondent.

For these reasons, the application for certification is dismissed.

23. The following authorities have been considered by the Board:

Canadian Pacific Railway v. A.G. for British Columbia (1950) A.C. 122; Luscar Collieries v. McDonald (1925) S.C.R. 529 affirmed (1927) A.C. 925; Eastern Canada Stevedoring case (1955) S.C.R. 529; Toronto Corporation v. Bell Telephone Company of Canada (1905) A.C. 52; North Fraser Harbour Commissioners v. B.C. Electric Railway Company (1932) S.C.R. 161; Queen v. Board of Transport Commissioners (1968) S.C.R. 118; Wylie Milling Co. v. Canadian Pacific and Kingston and Pembroke Railway Cos. (1912) 8D.L.R. 949; Westspur Pipeline case (1957) 76 CRTC 158; In re Regulation and Control of Radio Communications in Canada (1932) A.C. 305; A.G. Ontario v. Winner (1954) A.C. 542; Winner v. S.M.T. (Eastern) Ltd. (1951) S.C.R. 887; Public Utilities Commission v. Victoria Cable Vision et al (1965) 52 W.W.R. 287; Amalgamated Association of Street Electric Railway and Motor Coach Employees of America, Division 1415 v. Eastern Canadian Greyhound Lines Ltd. 52 CLLC 1293; Transport D'Anjou v. Union des Employés de Commerce, Local 500 (1971) T.T. 127; Quebec Railway Light & Power Co. v. Town of Beauport, (1945) S.C.R. 16; Retail, Wholesale & Department Store Union, Local 580 v. Retmeir Truck Lines Ltd. (1966) 55 W.W.R. 104; Northern Electric Co. v. Ontario Labour Relations Board 70 CLLC 14,016; Regina v. Ontario Labour Relations Board, ex parte Dunn (1963) 2 O.R. 301; McNairn, Transportation and The Constitution (1969) 47 CBR 356; Kootenay and Elk Railway Co. and Burlington Northern Inc. v. C.P.R. (Supreme Court of Canada, May 1, 1972); Daimler Co. v. Continental Tyre & Rubber Co. (1916) 2 A.C. 307; Three Rivers Boatman Ltd. v. Canada Labour Relations Board (1969) S.C.R. 607; Agence Maritime Inc. v. Canada Labour Relations Board (1969) S.C.R. 851.

(Sgd.) A. H. Brown
Chairman
for the Board

Dated at Ottawa, May 24, 1972.

Application for review of a previous order affecting

National Association of Broadcast Employees and Technicians (Applicant)

and

British Columbia Television Broadcasting System Limited (formerly Vantel Broadcasting Co. Ltd.) (Respondent)

The Board consisted of J. J. Quinlan, Q. C., Vice-Chairman and Acting Chairman, and E. R. Complin, J. A. D'Aoust, Gérard Picard, R. C. Smith, and W. T. Wilson, Members. The Judgment of the Board was delivered by the Vice-Chairman and Acting Chairman.

On June 9, 1961, the Board issued an Order certifying the National Association of Broadcast Employees and Technicians (hereinafter referred to as NABET) as the bargaining agent for a unit of employees of Vantel Broadcasting Co. Ltd. (hereinafter referred to as the Company) comprising employees employed at station CHAN-TV, Vancouver, B.C., consisting of seven different classes of technicians all under the supervision of the chief engineer, excluding the assistant chief engineer, technical directors and two employees working as studio assistant (production) and studio assistant (staging) respectively.

Under date of November 22, 1971, NABET has requested, pursuant to section 163(2) of the Canada Labour Code, a review of the foregoing Order of the Board to amend the certificate as follows:

(1) By adding to the existing classifications included in the certificate the classifications of film editor, film librarian and film shipper comprising six employees; and

(2) By changing the name of the respondent from Vantel Broadcasting Company Limited to its present name British Columbia Television Broadcasting System Limited by virtue of a change in the corporate name which has occurred since the granting of the original certificate in 1961.

In addition to the classifications requested in the application the Company payroll listed a film and music librarian. The applicant stated it was not aware of this classification at the time of the application and subsequently requested that if there were such a classification it wished to have it included in the amendment requested. The evidence disclosed, however, that there was no such position, the position in fact being that of film librarian. The occupant of the position had tendered her resignation effective November 30, 1971, and at the date of the application her successor was also filling the position with her and this is what apparently led to confusion in the preparation of the payroll list.

Examination of membership records of NABET revealed that five of the six employees had signed membership cards and were paid-up members as at the date of the application for review.

At the hearing before the Board, Counsel for the Company stated there was no objection to amendment of the certificate to change the corporate name as requested, the name having been changed in 1964.

With respect to amendment of the certificate to add the three classifications requested by NABET the Company stated that while it did not wish to take sides in the application it wished to ensure that the wishes of the employees be taken into consideration. It submitted that since June 9, 1961, in addition to the NABET certification, the following certifications had existed in respect of employees of the Company:

(1) American Newspaper Guild (hereinafter referred to as ANG).

(2) International Alliance of Theatrical Stage Employees and Moving Picture Machine Operators of the United States and Canada (hereinafter referred to as IATSE). The unit of employees represented by IATSE included the three classifications requested by NABET in the present application.

The Company's position was that since the Board had considered the IATSE classifications as an appropriate bargaining unit all employees presently in the unit of whom there were fourteen according to the evidence, should be given an opportunity to vote as to whether they wished the certification of IATSE revoked or whether they wished to be represented by NABET. It also took the position that NABET's request should not be entertained under section 163(2) of the Canada Labour Code which was intended to provide for reconsideration in the nature of an appeal immediately following a decision of the Board; that an application under this provision does not require consideration of the foregoing matters and that granting of the application would be a unique certification which would not follow the existing pattern of certification in the television industry in British Columbia.

As to the submission that the application should not be entertained under section 163(2) the language of the provision clearly does not warrant the interpretation suggested by Counsel for the Company. As a matter of fact the Company itself made an application under the corresponding section of the Industrial Relations and Disputes Investigation Act in March 1965 seeking to have the Board review its three Orders of June 1961 and certify only one union to represent the employees. This request for review was refused by the Board in April 1965.

At the commencement of the hearing before the Board, Counsel for the Company submitted that in the absence of IATSE and a declaration from it that it had abandoned its bargaining rights the Board should reject NABET's application. In rejecting this submission it was pointed out by the Acting Chairman on behalf of the Board that notice of the application had been given to IATSE which had chosen not to intervene. While this should not necessarily be interpreted as consent, it was clear that IATSE was not interested in opposing the application.

In the evidence adduced before the Board it was stated that since 1961 the Company and NABET had concluded about three collective agreements in regard to employees of CHAN-TV. The most recent agreement was for the period June 1, 1969, to February 29, 1972. Article 3.1 of this agreement defined the bargaining unit as:

> "The Company recognizes the Union as the exclusive bargaining agent for all persons employed in the unit defined by the Canada Labour Relations Board in its decision of June 9th, 1961, certifying NABET and any amendments thereto as mutually agreed by the parties or as ordered by the Canada Labour Relations Board or in any of the positions listed in the wage schedule under the Article 27."

In Article 27 under the classification Television Assistant, there appears "telecine operator." In the 1961 IATSE certification there appears the classification "film editor and telecine operator." Mr. A. H. Collins of the Company who gave evidence before the Board stated that the position film editor and telecine operator had been eliminated as such and film editing work is done in the film editing department and telecine operation is now done in the technical department which is under the jurisdiction of NABET. Also, the position "stagehand" contained in Article 27 was agreed by both K. A. Steel who gave evidence on behalf of NABET and Mr. Collins as being the same position as "studio assistant (staging)" contained in the 1961 IATSE certification. Similarly, the position studio director [floor director] in Article 27 was the same position as "studio assistant (production)" contained in the 1961 ANG certification. In this respect, Mr. Collins added that these functions are presently being handled by technicians within the NABET bargaining unit and the Company had always insisted on its technicians performing multiple functions, claiming it is the only way it can be a viable production enterprise on the West Coast.

So far as the ANG unit is concerned, Mr. Collins stated that there has been no collective bargaining between it and the Company since the certification in 1961. He went on to state that the members are apparently satisfied with the treatment received from the Company and there has been no problem arising out of the absence of a collective agreement.

With respect to the IATSE unit, Mr. Collins said that up to 1965 there were negotiations between it and the Company with regard to the classifications covered by the 1961 certification but there has been no collective agreement. He stated that at that time there was an informal understanding reached. However, there have been no negotiations for the classifications embraced in the present application since then, that is for approximately seven years. Nor is there a grievance procedure for these classifications or check-off of union dues. Mr. Collins stated that since January and February of 1972 the Company has had negotiations with IATSE on the basis of IATSE rates for such classifications as carpenters, painters and scenic designers. By way of example he said that during the production of Story Theatre the Company had carpenters continuously in its employ for a period of approximately six months. However, in this matter as with the Queen Elizabeth Theatre, Bay Shore Hotel, Theatre in the Park, etc. where the Company does a considerable amount of production work, the co-operation of IATSE is required since it has a contract in these locations. In such cases the Company conforms to IATSE collective agreements, although as noted above, it does not have a collective agreement with that Union.

As previously referred to, NABET, IATSE and ANG were each certified as bargaining agent for different groups of employees in June 1961, NABET for a technical group, IATSE for a program and production group and ANG for a news group. It is apparent that each at that time was certified on the basis of a craft or group exercising technical skills pursuant to what is now section 114 of the Canada Labour Code. Over the period of eleven years since it was certified IATSE has not negotiated a collective agreement with the Company. Furthermore, although IATSE was given registered notice of the NABET application by the Chief Executive Officer of the Board it has not intervened or otherwise expressed to the Board any opposition to the application. In these circumstances the Board is of the opinion that for all practical purposes IATSE appears to have abandoned the unit and no longer represents at least the classification which NABET requests be included in its unit.

In considering this matter the Board is of the view that in circumstances such as this it should adopt a flexible rather than a rigid approach and endeavour to provide stable relationships for collective bargaining purposes. In the light of the evidence the Board is of the opinion that, notwithstanding the earlier certification of NABET and IATSE on a craft basis, the group applied for has a community of interest with the NABET unit, the majority having signified their desire to be included in the unit. The Board therefore concludes that the group applied for is appropriate for inclusion in the unit.

The Board therefore grants the application for review and directs that its Order of June 9, 1961, certifying NABET as the bargaining agent for a unit of employees of Vantel Broadcasting Co. Ltd. be amended as follows:

(a) By changing the name of the Company, Vantel Broadcasting Co. Ltd. to its present name British Columbia Television Broadcasting System Limited; and

(b) By adding to the existing classifications included in the certificate, the classification of film editor, film librarian, and film shipper.

(Sgd.) J. J. Quinlan,
Vice-Chairman and
Acting Chairman
for the Board

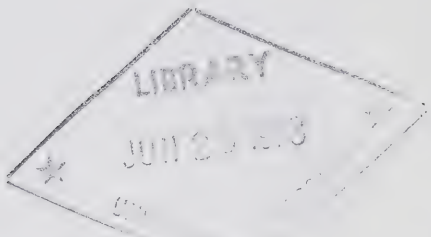
Dated at Ottawa June 18, 1972

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CAIL-C52

CONCILIATION BOARD REPORTS

No. 6, 1972



Conciliation Board Reports in disputes between:

Hudson-Yukon Mining Company Limited and Tunnel and Rock Workers Union, Local 168

Canadian National Hotels Limited (Chateau Laurier Hotel), Ottawa and Canadian Brotherhood of Railway, Transport and General Workers

Nordair Limited, Montreal International Airport, and International Association of Machinists and Aerospace Workers, Lodge No. 2309

MacKays Transport Company Limited and The International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers of America, Local Unions 362 and 395

CANADA DEPARTMENT OF LABOUR

Hon. Martin O'Connell, Minister

Bernard Wilson, Deputy Minister

Report of Board of Conciliation and Investigation established to deal with dispute between:

Hudson-Yukon Mining Company Limited

and

Tunnel and Rock Workers Union, Local 168

The Board was under the Chairmanship of Professor J.C. Smith of the University of British Columbia, appointed by the Minister of Labour in the absence of a joint recommendation from H.B. Monk, Q.C., of Winnipeg and Angus Cameron of Vancouver, who were previously appointed on the nomination of the employer and union, respectively. The unanimous report was received by the Minister during September.

The Board held hearings at Whitehorse, Yukon Territory, on the 16th, and 17th days of September, 1972 and thereafter met as a Board to consider the evidence and the arguments adduced at the hearing on the 17th, 18th and 22nd of September, 1972.

During the course of the hearings in Whitehorse, the Union and Company presented briefs supported by data as to the content of the collective agreements signed between other mining companies operating in the Yukon and Northern British Columbia, and their employees.

It was stated that the areas of dispute related to wage rates, and camp conditions and fringe benefits.

After giving the matter the most careful consideration it could, the Board unanimously recommends as follows:

(1) A 35c per hour increase across the board over existing wage rates and according to existing classifications.

(2) That a camp committee be set up to discuss camp conditions.

DATED at the City of Vancouver, Province of British Columbia this 20th day of September, 1972.

(Sgd.) Joseph C. Smith
Chairman

Angus Cameron
Union Nominee

Henry B. Monk
Company Nominee

Report of Board of Conciliation and Investigation established to deal with dispute between:

Canadian National Hotels Limited (Chateau Laurier Hotel), Ottawa

and

Canadian Brotherhood of Railway, Transport and General Workers

The Board was under the Chairmanship of Prof. E.E. Palmer of London, Ont., appointed by the Minister of Labour on the joint recommendation of J.W. Healy, Q.C., of Toronto and Gordon McCaffrey of Ottawa, nominees of the company and union, respectively.

The majority report, which under the Canada Labour Code (Part V — Industrial Relations) is the report of the Board, was made by the Chairman and Mr. Healy. The report was received by the Minister during October.

The present report arises out of a dispute between the Union and Company over the terms of a collective agreement to replace a predecessor to it which was in effect from 1 March 1970 to 31 May 1972. A conciliation officer met with the parties regarding this matter on June 6th and 7th of this year and reported on June 15th that he was unable to obtain any agreement. Subsequently, this Board was established and met with the parties on August 21st and 22nd of 1972 in Ottawa. We regret we also were unable to assist the parties in reaching a settlement in this matter.

At the commencement of the hearing a number of subsidiary issues were raised by the parties which are unnecessary to deal with here. Again, it is useful to note that we were informed that there were some sixteen items in dispute between the parties, such items being referred to in an enclosure in a letter from Mr. Grealy of the Union to Mr. Creston of the Company, dated 3 April 1972. In writing our report, these matters will be dealt with in the order there set out.

Finally, before turning to the specific items in issue, the Board would note that we were unable to obtain any change in the position of the parties. Their attitudes to us, appeared inflexible at that time. Therefore, it was and continues to be, our opinion that further attempts at conciliation were useless until the promulgation of a report such as this.

We turn now to the specific issues between the parties.

Item 1

In this regard the Union requested a number of adjustments in wages paid to various classifications in order to eliminate certain alleged inequities presently existing, such adjustments varying between 10% and 15%. Again such adjustments would, when made, then form the basis for further general wage increases.

The Company opposed these changes, basically on two grounds. First, they argue that comparisons made by the Union were inappropriate, that they should be for all Classifications in the hotel rather than just some and, consequently, adjustments be made both for and against the Company. On this point, it was argued, no inequities were shown. Second, it was argued that such payments had been made during negotiations in both 1968 and 1970. Therefore, it was contended it was unreasonable to assume that further inequities have occurred in such a short time.

On this point, the Board is of the opinion that a solution similar to that which occurred in the course of the 1970 negotiations be followed. Specifically, we would suggest that a sum in the amount of $3000 be appropriated to distribute amongst such of these classifications as the parties decide. At this point we are not in a position to make a determination of the classifications ourselves.

Item 2.

On their second point the Union requested that a wage increase of 10% be granted all employees covered by the collective agreement on 1 June 1972, with a further increase of 8% on 1 June 1973. The contract, naturally, was to have a term of two years. Basically, the support for this position, as argued by the Union, was that the Company's profits at the Chateau Laurier had grown 15.1% during the last year, that increases in wages in the service sector were in line with their demand, and that, generally, the cost of living in Ottawa was high in comparison with the rest of Canada.

The Company's position was that its wages were comparable with, or higher than, other hotels in the Ottawa area. This, it was agreed, is the proper comparative basis. Setting out certain rates on this basis, it concludes that at present it paid eight cents per hour more than its competitors during May of 1972. Hence the position was taken that the Union had not justified its demands.

While this Board generally has sympathy with the position of the Company, we cannot accept it completely. Thus, we agree with the Union when it contends that the Chateau is a leader among hotels in the Ottawa area and, in many ways, is unique in that city. Again the Company's figures suffer from a failure to show, as far as possible, comparisons over the whole of the contract and a lack of identity of the hotels involved. In result, therefore, this Board is of the opinion that an increase of 7% in the first year and 6% in the second year could be appropriate.

Item 3.

Here the Union requested the addition of a new section, stating that: "All employees shall have at least nine (9) hours rest between shifts."

The reasons for such a request appear obvious.

The Company, however, opposes this on the ground that although the problem might have once existed, it no longer does, and in any event the Company is willing to co-operate if such difficulties arise in the future.

The Board is of the opinion that the demand of the Union is a reasonable one. We would note however, that such a solution to this problem might be best dealt with in a letter of understanding, where conditions relating to the application of such a clause to emergencies and so on could be set out.

Item 4.

This was a request by the Union that Article 6.5 of the previous agreement be amended by increasing the amount paid to persons on split shifts from seventy-five cents to $1.50. The reason for this was that such amount was to cover the dislocation of a person's normal day. The Company, on the other hand, agreed that such a premium was established to cover the costs of transportation and, on that basis, no reason for an increase was shown.

Although one can have sympathy for the Union's position on an abstract basis, the Board can see no reason to increase the amount in question. It was not challenged by the Union that this amount was originally established to cover the costs of transportation. If the Union wishes to extend the rationale for this premium — and there seems some substance to such a claim — it is for the parties to resolve, not a Board of Conciliation.

Item 5.

This was a request by the Union that gratuity earners working on special functions have their premiums in lieu of gratuities on luncheons and dinners increased by fifty cents respectively. The reason for such an increase basically relates to the fact that costs of meals are increasing and that gratuities are tied to such costs. The Company argues that persons so employed were unlikely to earn much anyway and that such a request was dropped in the past. Thus, it was contended, this demand should not be accepted.

Here again, it is difficult for a Board to make recommendations. Clearly, the general argument advanced by the Union is correct; gratuities do increase with the increase in the cost of meals, "tips" being a percentage (usually ten to fifteen per cent) of the cost of the meal. Whether the employees would have made much or little in the way of "tips" therefore, seems somewhat irrelevant. The real question is the increase in the cost of meals. The parties are in the best position to determine this matter.

Item 6.

This was a request by the Union that the present Article 3.6 be amended so that employees required to work on their assigned days off be paid double time for a minimum of four hours in place of time and one half for a minimum of two hours and forty minutes. The Union, in defending this proposal, agreed that generally industry figures support such a conclusion. The Company argues with such a provision in the hotel industry and, hence, such a request is unsupported.

On the basis of the above, this Board is of the opinion that the position taken by the Company is correct. Consequently, we do not support this request by the Union.

Item 7.

This was a request by the Union that a new article (Art. 10.7) be added to the collective agreement whereby employees who could sign meal cheques paid by the Company could include a 15% gratuity. It was agreed that all employees who waited on other customers would expect such a sum and, therefore, it was only reasonable that this clause should exist. The Company again argued that such a clause is unknown in the hotel industry.

On the same basis as the previous point, the Board does not recommend that such a clause be contained in the agreement to be signed.

Item 8.

Here the Board requests that Easter Monday be added to the present nine statutory holidays set out in Article 11.1 of the past collective agreement. To this end, statistics regarding other similar statutory holidays granted in collective agreements in effect at other Canadian hotels were cited. The Company argues that none of the other hotels surveyed in Ottawa supply more than eight statutory holidays and, therefore, this should suffice for the Chateau Laurier.

Again, although the Union recommendation is not without some merit, the Board feels they have not substantiated their case for more extensive statutory holidays. Thus, we do not, on the basis of the evidence before us, support the Union position.

Item 9.

Here the Union requests that the present Article 11.4 be deleted and replaced with a clause which provides for time and one half for hours worked on a statutory holiday, with a guarantee of four hours work and a lieu day within 60 days of such holiday. At present only

the lieu day is given. For similar reasons to that advanced on the last point as well as operational needs of the industry the Company opposed such a request.

Similarly, and with the same sentiments of reserve, the Board accepts the Company position.

Item 10.

On this point the Union wished to change the vacation entitlement. Under the pre-existing agreement, two weeks vacation were provided after one year, three weeks after ten years and four weeks after 18 years. The Union wished to change the two latter to three weeks after five years and four weeks after 15 years. Additionally, they wished to have five weeks vacation after 25 years' service. Again, reference was had to other hotels in Canada to support such a result. The Company agreed that although some requirements for the three weeks vacation were better at the Chateau than elsewhere in Ottawa. Nowhere in Canada in the hotel industry did a five-week vacation exist and nothing supported the Union case generally.

In the opinion of the Board, the Company is generally correct and, hence, we would not support any of the Union requests, except that for a three-week vacation. There we would take the position that such a requirement should be three weeks vacation after eight years of service.

Item 11.

With regard to Article 19 the Union made a number of demands in relation to payments for welfare benefits and sick leave. Generally speaking, such requests were not supported by comparative figures or costs. This, in light of the Company opposition to this request, the Board is in the position where it must oppose this.

Item 12.

This request was that a new article (Art. 20.13) be added which states that "A retired employee shall not be re-employed on a full time scheduled position." The Company argued that, although they agreed with the implicit rationale for such a clause, such situation occurred only where no employee who had not reached the retirement age was available.

Consequently, in a view similar to that expressed in relation to Item 3, for the reasons set out in item 3 we would again accept the Union position, but suggest that it be incorporated in a letter of understanding.

Item 13.

This was a request that part time employees be restricted to a certain percentage of certain sections of the Company's operation (3, 4, 5 and 16). Basically the position of the Union on this point is that they are apprehensive of the scope of use of part time workers by the Company and wish to prevent these persons encroaching on the work of full time personnel. The Company opposes such a restriction on the basis of managerial necessities.

Simply put, this Board is not in a position to determine the merits of this point and, so, leaves it to the parties to determine it themselves.

Item 14.

This is a request for a new article to provide free transportation to workers required to come to or leave work at times when public transportation is not operative. No comparative basis for such a request was put forward. The Company argues that it complies with provincial legislation in that request and does not see why more should be done.

Again the Board does not accept that an adequate case in this regard has been made by the Union and so does not support this proposal. In our view this is a matter more appropriately dealt with in a shift differential.

Item 15.

On this matter the Union requested a new clause which stated that: "All technological changes affecting the employees of the Chateau Laurier Hotel must be negotiated by the signatories to the Collective Agreement." Again no comparative support was given for this matter. Naturally, the Company vehemently opposed this request.

The Board is of the opinion that no basis exists upon which they can recommend such a request. It is unusual, if not unique, and difficult of operation. It is a matter for the parties to decide.

Item 16.

On this point the Union requested a different rate for certain fringe benefits related to basic wages be paid to gratuity earners. The reason for this being that the rates presently paid do not take into account the actual earnings of these people. The Company argues that such matters are improperly put before this Board (not being wages) and, in any event, such requests are unwarranted.

Here as in regard to Item 13, the Board does not make any recommendations due to the lack of information before us. We would note, however, that we cannot accept the Company argument that we cannot make such recommendation.

Company Proposals.

The Company also made two proposals for changes in the collective agreement.

The first, this was that probationary employees be paid ten cents an hour less than their normal rate. It was argued that this would account for such person being "trained." Here the Board would reject such a proposal, no supporting evidence being provided to justify such a result.

The Company also requested that the present Article 6.4 be extended to cover employees in L'Auberge Coffee Shop. The Company put forward certain operational factors and the Union did not respond. We see no reason why such a clause should not be included in the collective agreement.

These, then, are the proposals the recommendations of this Board in the matters put before them.

Dated at London, Ontario, this 19th day of September, 1972.

(Sgd.) E.E. Palmer,
Chairman.

J.W. Healy,

MINORITY REPORT OF GORDON McCAFFREY

This dissent from the report of the Board of Conciliation is based on three fundamental differences in approach in the issues in dispute.

First, while the Board's report and this member agree that (in words of the Board's report) "the Chateau Laurier is a leader among hotels in the Ottawa area and, in many ways, is unique in that city," the Board's report does not in my opinion apply this consideration consistently in the drawing up of its recommendations.

Secondly, while the Board's report tends to make recommendations which would take into account the existing wages and conditions in the Ottawa region hotel industry, this member believes that the Hotel employees (and particularly employees of a hotel which is regarded by the community as being the undisputed leader in the region) should be able to receive compensation and fringe benefits equal to those received by workers with comparable skills in other industries and occupations. This position is reinforced by the fact that the hotel industry in Canada is prospering, the Chateau Laurier enjoys a high level of business on a year around basis, the Chateau Laurier itself is prospering, and employees of the hotel deserve a fair return on their efforts which help make the Chateau Laurier the leading hotel in a prosperous industry. Hotel employees cannot get a fair share if they are restricted by the constraints of an industry which is still dominated by a master-servant attitude on the part of the management, and whose management is determined to limit wages and fringe benefits to the level of the labour standards code or believes it is being generous when it pays benefits a few cents an hour above the average in the local hotel industry. Improvements in the standard of living of hotel employees will continue to lag behind the level of this community until the employers who are undisputed industry leaders accept their responsibility for making progressive changes in wages and conditions.

Thirdly, the Board's report in my opinion fails to give adequate attention to a number of issues which are basic to the integrity of the employer-union relationship. The issue of the numbers of part-time workers who are hired, or the issue of technological change as it affects security of employment, to mention only two examples, should have been dealt with by way of a positive recommendation in the Board's report.

The Board's report is quite correct when it states that the attitude (of the parties at the close of the meetings with the Board) "appeared inflexible." But in fairness it should be added that the Union negotiating committee committed itself to a further examination of any or all of the Union's demands with a view to modifying their language. The same commitment was not forthcoming from the Hotel committee, which had taken a position that all the Union's demands were so far out of line with industry practice, or that the Chateau Laurier was already paying wages and fringes equal to, or better than the industry, that the union positions could not be considered for the purpose of negotiations. In fact, no negotiations took place during the sitting of the Board and apparently little took place prior to the Board.

The Issues in Dispute

1. Adjustments to inequities between job classifications

Two years ago the parties agreed that an amount of $2,500 (compared to the Union demand for $10,000) be applied to adjust hourly rates in certain job categories. This year the Hotel maintained that "inequity situations do not exist within the wage scales of the Chateau Laurier Hotel." The Board's report, however, recommends that $3,000 be allocated toward adjustments "amongst such of these classifications that the parties decide." The Board's report also states that "at this point we are not in a position to make a determination of the classifications ourselves." I submit that this solution is only tampering with the inequities the Board's report is admitting exists. A better recommendation would be to instruct the parties to undertake a factual job evaluation study, establish a base rate and negotiate a schedule of job differentials. This approach has been successful in other industries and could be applied equally well to the hotel industry. It would replace the prevailing system of making under the counter deals to attract workers from other employers or to hold employees who are being sought by competitors.

2. Wages

The Union demanded a 10 per cent increase in the first year and eight per cent in the second year of a two-year contract beginning June 1, 1972. The Hotel said "there is no basis for an increase in remuneration or benefits of the magnitude proposed by the Brotherhood." There were no negotiations on the wage issues before the Board. The Board's report says that "an increase of seven per cent in the first year and six per cent in the second year could be appropriate." The Board's report obviously rejected the Hotel's position on wages but failed to provide an explanation for its recommendation.

Leaving aside those who can count on supplementing their wages with gratuities, an increase of seven per cent would leave several categories of employees (front office cashiers, food service clerks, telephone operators and utility attendants) with earnings of less than $100 for a 40-hour week, and would leave tradesmen (electricians, maintenance men, carpenters and painters) with earnings upwards of 30 per cent lower than tradesmen outside the hotel industry. On the basis of the current schedule of wage rates, the Union's demand of a 10 per cent increase is extremely moderate. It represents catch-up pay as well as a legitimate annual increase. The demand for eight per cent in the second year of the agreement likewise demonstrates restraint. A percentage increase should be related to the current schedule of wage rates and the current profit position of the Chateau Laurier which the Union estimated at over 15 per cent. The Board's report, it seems to me, does not take these criteria into consideration. A seven per cent increase on top of the present low hourly rate in several categories would not result in a living wage. Therefore, the Board's recommendation represents a niggardly increase which could not become the basis for settling the wages issue. As indicated above, many of the emotional difficultues which surround percentage increases would be eliminated by establishing a job evaluation program together with a realistic approach to wage rates and job differentials in a collective bargaining framework. This has not yet been done at the Chateau Laurier.

3. Time-off between shifts

I agree with the Board that the reasons for providing nine hours rest between shifts appear obvious. The employer interest is protected in that the contract of service requires each employee to report regularly for duty on each assigned shift. The employee interest in having at least nine hours rest between shifts should also be protected — in the collective agreement. If, as the Board's report says, there is no problem surrounding this demand, then there should be no objection to writing it into the agreement.

4. Split-shift premiums

The Board's report takes a standpat position on the existing split-shift bonus of 75 cents on the grounds that it was originally designed to cover the costs of extra transportation to and from work. But the whole point of the new Union demand is to raise the split-shift premiums so as to introduce a deterrent. The employees don't like split-shifts. Split-shifts lengthen the working day. They interfere with off-duty commitments, regular meal hours and leisure time. They involve extra expense beyond the cost of transportation. The Union is not demanding an end to split-shifts. It is demanding *quid pro quo.* The Hotel wants the convenience of having more staff on duty when the hotel is busy and sending workers home when business is slack. It should be required to pay for this convenience to the Hotel and for this inconvenience to the employees. It is not good enough, as the Hotel said in its submission to the Board, that the employees knew about the working conditions in the hotel industry when they applied for a job. The point is that the employees through their union want to improve their working conditions.

5. Gratuities at functions

The Board's report concedes that, "clearly the general argument advanced by the union (with respect to gratuities to be paid to waiters serving luncheon and dinner functions) is correct," but then fails to make a recommendation. It cops out by saying the parties are in the best position to determine this matter. The cost of meals at Hotel functions has increased since the last collective agreement was signed. It should follow that the Hotel, which is a party to the gratuity system for waiters, is bound to make appropriate adjustments in the distributions of gratuities which it collects from functions. The Hotel argued that the function rates at the Chateau Laurier are the highest of any CN Hotel, and that no other Ottawa hotel provides function rates. But the union is attempting to improve conditions and does not want to be held down by a comparison with poor conditions elsewhere. Therefore, the Board's report should be consistent and make a recommendation in favour of an increase.

6. Premium for work on days off

The Hotel's position was that service in the hotel industry must be provided for patrons at all times and in many instances alternative courses of action (to recalling workers on their day off) are simply not available. But allocating regular days off to all employees is not incompatible with providing service to patrons 24 hours a day, seven days a week. Furthermore, a "day off" has no meaning to employees unless it means overtime work is voluntary and unless a penalty is imposed on the employer for invoking his right to call employees back. The Union's argument was that the Hotel had already accepted the desirability of regular days off and also the need for penalty payment in the event of a call back. It argued further the penalty payment should be increased so as to impose a greater deterrent. The Hotel's argument that there is no precedent in the hotel industry for double time for work on rest days is irrelevant; the Union is attempting to make it a bargaining issue in this round of negotiations. The Hotel's argument that a provision for double time for call back on a day off is not "at all common in industry generally" is not true of union-organized establishments. Therefore, I cannot support the conclusion of the Board's report that "the position taken by the company is correct."

7. Gratuities and hotel personnel

Since tipping is a voluntarily act, I concur with the Board's report that a requirement for paying a gratuity to waiters who serve company personnel should not be a matter for the collective agreement.

8. Easter Monday as a paid holiday

The Union demanded a tenth paid holiday and proposed that it be Easter Monday. The Hotel replied that none of the other hotels in its survey of Ottawa hotels provides for more than eight paid holidays. The Board's report states that the Union did not substantiate its case for more extensive paid holidays. I believe the Board's report reaches this conclusion because the Board has accepted the prevailing conditions in the Ottawa hotel industry as the standard for setting remuneration for the employees of the Chateau Laurier. The Union could make no progress in wages or conditions whatever (except for statutory increases under the labour standards code) if it were bound by the constraints of the *status quo.* In fact, the Union did attempt to substantiate its demand by pointing to the 10 paid holidays under the collective agreements at major hotels elsewhere in Canada. The Union is demanding 10 paid holidays at a time when a large number of bargaining units in other industries are looking beyond their present allocation of 11 paid holidays.

9. Work on a paid holiday

The Union demanded wages at time and half for hours worked on a paid holiday, with a minimum guarantee of four hours and a lieu day within 60 days of the holiday. This demand is an attempt to improve the provision under the last collective agreement for an alternative day off with pay at some later or prior date. The Hotel argued that the Hotel must provide services around the clock, regardless of statutory and other paid holidays. But the hotel industry is not unique in this respect. Transportation organizations, other service industries, the news media and various processing industries also operate on a continuous basis throughout the year and pay penalty benefits when they require employees to work on a paid holiday. Likewise the Hotel should be required to pay a penalty when it denies its employees the privilege of taking time off on a paid holiday and enjoying the holiday when family and friends are able to do so.

10. Vacations with pay

The Union demand for three weeks after five years of service and four weeks after 15 years is not an exorbitant demand. In many cases employees elsewhere receive three weeks after one year and four weeks after 10. The Board is extremely conservative in recommending three weeks after eight years of service.

11. Welfare benefits

The Board's report states that the Union's demand for certain welfare benefits including a medical and drug plan was not supported by comparative figures or costs, but "in the light of the company position to this request (for new benefits), the Board is in a position where it must oppose this." I submit that the Board's report indicates that it did not have sufficient information to reach a reasoned judgment. Lacking the facts, the Board apparently accepted the Hotel's position out of hand.

12. Retired employees

The Union is demanding a new clause which would deny the Hotel the right to rehire retired employees for full-time, scheduled positions. It does not oppose the hiring of retired persons for occasional part-time work. The Hotel's position is that it does not rehire pensioned employees other than in exceptional circumstances. The Board's report favoured the Union position and proposed that the matter be dealt with through a letter of understanding. I concur with the Board's report as a first step toward resolving this issue. The two parties should commit themselves to this course of action for the term of the next collective agreement.

13. Part-time employees

The hiring of part-time employees is regarded by the Hotel as a necessity in order to achieve a high level of flexibility in its operation; the Union maintains that a continuous increase in the numbers of part-time employees is eroding the bargaining unit. The Board's report states that "the Board is not in a position to determine the merits of this point" and so left it to the parties to determine. The Union is not opposed to the hiring of part-time help for functions such as dinners, but is opposed to their being hired for regular staff jobs. The issue has been a troublesome one for several years; it should be covered by a new article in the collective agreement.

14. Free transportation during early and late hours

The Board's report recommends in favour of a shift differential to provide for the transportation expenses of those who must report for work during hours when public transportation is not operating. I concur.

15. Technological change

The Union demanded that all technological change affecting the employees of the Hotel be negotiated by the parties to the collective agreement. The Board's report states the demand is unusual, if not unique, and difficult and that no basis exists upon which they can recommend such a request. It added that it was a matter for the parties to decide. But the Board had an outstanding model for resolving disputes involving technological change in Bill C-183, passed by Parliament earlier this year as an amendment to the Canada Labour Code. The Board's report should have recommended that all technological change affecting job security of any of its employees be the subject of advance notice and any dispute surrounding its introduction be resolved by negotiations between the parties. This is not to say that the issue is not difficult, but it is one that should be faced up to and covered by the collective agreement.

16. Fringe benefits for gratuity earners

The Board's report neglected to deal with this issue for lack of information. But it was incumbent upon the Board to secure all information required to assess the merits of this, and other demands. By acknowledging the gratuity system, the Hotel is admitting that it obtains cheaply the service of many of its employees. Thus there are good grounds for a Board recommendation that fringe benefits (including vacation pay and pensions) for gratuity earners be improved by a special contribution by the employer.

17 and 18.

I concur with the disposition of the two Hotel proposals by the Board's report.

Dated at Ottawa, Ontario, this 26th day of September, 1972.

(Sgd.) Gordon McCaffrey
Member
Board of Conciliation

Report of Board of Conciliation and Investigation established to deal with dispute between:

Nordair Limited, Montreal International Airport

and

International Association of Machinists and Aerospace Workers, Lodge No. 2309

The Board was under the Chairmanship of A.C. Dennis of Lakefield, Ontario, appointed by the Minister of Labour in the absence of a joint recommendation from the other members of the Board, F.G. Hamilton of Toronto and Adrien Villeneuve of Longueuil, Québec, who were previously appointed on the nomination of the employer and union, respectively. The report was received by the Minister during October.

The Board convened hearings in Montreal of the parties on October 17 and 18.

The Board was informed that there were 90 items in dispute which consisted of both minor items of language and major issues involving principle and monetary issues.

Nordair Limited, established in 1957, is a Canadian Regional air carrier which employs over six hundred (600) people. Its pilots, dispatchers, flight attendants and other employees in the maintenance, traffic, operations and stores division are covered by various Collective Bargaining Agreements.

The International Association of Machinists and Aerospace Workers, Lodge No. 2309, has been certified on September 7, 1967 to represent the Company's employees of its maintenance, traffic, operations and stores division and the number is approximately two hundred and forty (240).

Since 1967, the Company and the Union have signed two (2) agreements, the most recent of which expired on May 31, 1972.

At the hearings in Montreal, the Board endeavoured to bring the parties closer together on various issues through conciliation, but was not successful. At the conclusion of the hearings, the Board requested written submissions on the items in dispute. The written representations of the parties confirmed their positions on the items in dispute.

In order to assess, evaluate and make recommendations upon each individual issue, a considerable period of time would be necessary for a Board to deliberate, as well as further assistance from the parties. Since it is not the intention of the Board to delay proceedings and in any event, since the extremely short time limits provided by legislation have not been extended to permit such deliberations, it is not possible to make specific recommendations on the issues.

However, it appeared that the relationship between the parties under the previous Agreement interfered with the resolution of some items. The Board is of the view that direct bargaining between the parties is required to achieve a mutual understanding. The events of the past, wherever the responsibility may be, should not serve to "roadblock" the path to a more harmonious relationship that is necessary to serve the best interests of all concerned. The parties must, of course, recognize that their relationship has a direct effect not only upon Nordair and its employees, but upon the many communities it serves through air services including large metropolitan centres such as Montreal and isolated Northern communities.

It is the Board's view that both sides recognize some improvement is necessary in the language of the Agreement to improve the relationship between the parties and recognize the legitimate interests of the other. With respect to other matters in dispute, the Board recommends that the terms of the previous Agreement apply except for the monetary matters and the term of the Agreement.

On the monetary issues, it is the Union's position that wages must be kept in line with wages paid by other regional air carriers

and relied upon, in this regard, both Quebecair and Pacific Western Airlines Limited. The Company's submission is that the Quebecair settlement is a proper comparison but that Pacific Western Airlines Limited is not an appropriate comparison because of size, revenue and location. It is the Board's recommendation that monetary improvements be in keeping with the settlements achieved as mentioned above over an equivalent term of Agreement.

It is the Board's strong view that no irreconcilable differences exist that cannot be settled through direct exchange of views at the bargaining table and without resort to economic sanctions by either party. Past differences should not be allowed to create even greater disruption in future relationship between the parties. In this regard, the Board recommends that the parties reassess their positions and meet in direct negotiations to resolve all matters at issue.

DATED at Toronto, Ontario this 30th day of October, 1972.

(Sgd.) A.C. Dennis,
Chairman

Adrien Villeneuve,
Union Nominee

F.G. Hamilton,
Company Nominee

Report of Board of Conciliation and Investigation established to deal with dispute between:

MacKays Transport Company Limited

and

The International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers of America, Local Unions 362 and 395

The Board was under the Chairmanship of T.H. Miller of Edmonton, appointed by the Minister of Labour in the absence of a joint recommendation from the other members of the Board, Roy William Johns of Lloydminster and Lawrence LeClair of Edmonton, who were previously appointed on the nomination of the employer and local unions, respectively. The unanimous report was received by the Minister during October.

The Board met in a properly convened hearing at Lloydminster, Alberta, on the 27th of September, 1972.

The Board members were duly sworn and both parties agreed that the Board and the hearing were properly constituted and convened.

Both sides took pains to advise the Board at the outset that they considered their positions too far apart to reach an agreement and that neither side had requested the appointment of the Board nor had the Conciliation Officer recommended one.

Nevertheless the Board felt it was their duty to see if some area of agreement could be found.

Both sides agreed that there were two major issues and several minor ones and it was felt by the Board that if we could resolve the two major issues the minor ones could be resolved. Conversely if agreement could not be reached on the two major issues there was no point in wasting time on the smaller matters.

The two major issues were the Union Security Clause and the wage package.

The Company insisted that many of its employees were long time employees and that the vote for certification only carried 12 to 10. They stated they would not agree to any clause which forced any employee in the bargaining unit to join the Union now or later. The Union could not accept this position. The Union made its original wage requests in early bargaining and the Company counter-offered in June of this year. At the meeting the Union offered to reduce its offer and the Company refused to change its June offer stating that it could not afford to meet the Union offer and stay competitive with local competition.

After much discussion re Union membership the Board made the following proposal to both parties:

(a) for the first year of a contract or for the first half of the contract all employees in the unit would have to pay the equivalent of Union dues but did not have to join the Union and pay Union initiation. After one year or in the last half of the contract all employees in the unit would become members of the Union.

(b) any members of the unit who were shareholders or directors of the Employer company would be exempt from (a). (One member of the unit already fell into this category).

(c) all new employees had to join the Union within a reasonable time.

(d) all leased operators would not have to join the Union but would contribute the equivalent of monthly dues.

The Company's last wage proposal was as follows:-

In Appendix B.

	On Execution	March 1/73	March 1/74
Edmonton Probationary	3.00	3.25	3.45
Edmonton Regular	3.30	3.60	3.85
All other Probationary	2.35	2.60	2.85
All other Regular	2.75	3.00	3.25

In Appendix A.

	On Execution	March 1/73	March 1/74
Work-time rate	2.75	3.00	3.20
Loading Unloading	4.00	4.50	5.00
Layover and wait time	2.50	2.60	2.70

The meeting in Lloydminster was adjourned at the end of the first day as the parties could not reach agreement on either point or on the suggestions put forth by the Board.

The Board met for a short time after the parties left and the Bargaining Agent's nominee, Mr. LeClair, thought we should make one further try to reach an agreement. He agreed to approach the Union to see if they would accept the Company's last wage offer if the Company would accept the Board suggestions re Union membership as outlined above. Mr. LeClair advised the Chairman a few days later that the Union negotiator would recommend settlement on the above basis with the additional requirement that the Company starting rate be retroactive to June 8th when the counter-offer was made.

The Union's position was then conveyed by the Chairman to the Employer's nominee and he has now advised that the Company will not accept this last offer.

It is the unanimous opinion of the Board, except as hereinafter noted, that the last offer acceptable to the Union is a fair and reasonable offer and if it is not acceptable to the Company there is nothing more to be gained from further negotiations by this Board.

The Board, therefore, regrets that it has been unable to resolve the disagreement and hereby makes its report.

As afore mentioned, I agree to the Board decision except for the retroactive date of June 8th, which is not a major difference and could no doubt be renegotiated.

(Sgd.) T.H. Miller,
Chairman

Lawrence LeClair,
Board Member

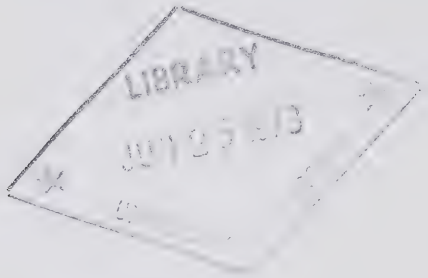
Roy Johns,
Board Member.

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CONCILIATION BOARD REPORTS
together with
CLRB REASONS FOR JUDGMENT

No. 7, 1972



Conciliation Board Reports in disputes between:

Kent Line Limited and Seafarers' International Union of Canada

Lakehead Harbour Commission and Lakehead Harbour Police Association

Transair Limited and Canadian Air Line Flight Attendants' Association

Reasons for Judgment in Application for Certification affecting:

Vancouver-New Westminster Newspaper Guild, Local 115 of the Newspaper Guild and Moffat Broadcasting Ltd. (Station CKLG, Vancouver, B.C.)

CANADA DEPARTMENT OF LABOUR

Hon. Martin O'Connell, Minister

Bernard Wilson, Deputy Minister

Report of Board of Conciliation and Investigation established to deal with dispute between:

Kent Line Limited, Saint John, N.B.,

and

Seafarers' International Union of Canada

The Board was under the Chairmanship of Lorne O. Clarke of Truro, N.S., appointed by the Minister of Labour in the absence of a joint recommendation from Arthur J. Meagher, Q.C., of Halifax and Bernard Boulanger of Montreal, nominees of the company and union respectively.

The majority report, which under the provisions of the Canada Labour Code (Part V — Industrial Relations) is the report of the Board, was made by the Chairman and Mr. Boulanger. The minority report was submitted by Mr. Meagher. The report was received by the Minister during November.

The Board held lengthy meetings with the parties in Montreal on September 29, 1972.

At these meetings, the employer was represented by its solicitor, Jean Beauvais and its comptroller, D.K. Cameron. The bargaining agent was represented by Roman Gralewicz and its Secretary-Treasurer, John Royce.

Formal presentations were made on behalf of each party. A full opportunity was given to both parties for an exchange of views and opinions on the matters in dispute.

The Board made a diligent effort to conciliate the dispute and reach a memorandum of agreement between the parties at the meetings described in the paragraph above. Having failed to do so, hence the necessity of this report which is being submitted after conferences among the members of the Board subsequent to the conclusion of the meetings with the parties on September 29, 1972.

A considerable number of items were resolved prior to the appointment of the Board. There now follows recommendations that hopefully will lead to a resolution of the problems still remaining in dispute.

1. Duration of agreement

The collective agreement will be effective September 1, 1972 and expire on August 31, 1974.

2. Wages

The following schedule of wages is recommended to be effective June 1, 1972 and to continue until August 31,1973:

RANK	MONTHLY BASIC
Pumpman	$505.00
Boatswain	$475.00
Chief Cook	$475.00
Seaman A/B	$425.00
Seaman O/S	$365.00
Oiler/Fireman	$425.00
Wiper	$365.00
Second Cook	$425.00
Messman	$365.00
Messboy	$345.00

Effective September 1, 1973, and continuing until August 31, 1974, the above detailed scale of monthly basic for each of the several ranks shall be increased by 5%.

From these monthly basics the parties are then able to develop the calculations for accumulated time off, monthly gross daily rate and overtime rate which shall apply during the course of the contract term.

3. Hours of work

The standard work week shall be 50 hours. The parties should agree upon the provisions of the extension orders issued pursuant to the provisions of the Canada Labour Code (Part III — Labour Standard) to which the vessel(s) of the employer is subject. The hours of work as from time to time provided by the orders should prevail during the term of this agreement.

4. Manning

During the course of the meetings held by the Board, the parties agreed upon the following clause:

> It is agreed between the parties that the unlicensed Manning scale covered by this agreement shall be the Manning scale in effect June 1st, 1972. Under no circumstances shall there be any reduction of this Manning scale during the life of this agreement unless there is a reduction in the amount of work to be done. In such event the Company shall notify the Union fourteen (14) days before reducing the crew.
>
> The Union recognizes that automation or technological changes may result in certain crew reductions.

5. Accumulated time-off

The accumulated time off will be that which follows from the mathematical applications to be made to the monthly basic rates as provided and recommended in paragraph 2 of this report.

6. Successor rights

Pending the soon anticipated proclamation of Bill C—183, an act to amend the Canada Labour Code, as passed by the House of Commons on June 30, 1972, it is recommended the parties incorporate the effect of sections 143 and 144 to the extent they have application to this employer. The sections follow:

Successor Rights and Obligations

Mergers, etc. of trade unions

143. (1) Where, by reason of a merger or amalgamation of trade unions or a transfer of jurisdiction among trade unions, a trade union succeeds another trade union that, at the time of the merger, amalgamation or transfer of jurisdiction, is a bargaining agent, the successor shall be deemed to have acquired the rights, privileges and duties of its predecessor, whether under a collective agreement or otherwise.

Board may determine questions

(2) Where upon a merger or amalgamation of trade unions or a transfer of jurisdiction among trade unions, any questions arises concerning the rights, privileges and duties of a trade union under this Part or under a collective

agreement in respect of a bargaining unit or an employee therein, the Board on application to it by a trade union affected, shall determine what rights, privileges and duties have been acquired or are retained.

Inquiry and votes

(3) Before determining pursuant to subsection (2), what rights, privileges and duties of a trade union have been acquired or are retained, the Board may make such inquiry or direct that such representation votes be taken as it considers necessary.

Definitions

144. (1) In this section,

"business"

"business" means any federal work, undertaking or business and any part thereof;

"sell"

"sell", in relation to a business, includes the lease, transfer and other disposition of the business.

Sale of business

(2) Subject to subsection (3), where an employer sells his business,

(a) a trade union that is the bargaining agent for the employees employed in the business continues to be their bargaining agent;

(b) a trade union that made application for certification in respect of any employees employed in the business before the date on which the business is sold may, subject to this Part, be certified by the Board as their bargaining agent;

(c) the person to whom the business is sold is bound by any collective agreement that is, on the date on which the business is sold, applicable to the employees employed in the business; and

(d) the person to whom the business is sold becomes a party to any proceeding taken under this Part that is pending on the date on which the business was sold and that affects the employees employed in the business or their bargaining agent.

Sale where employees are intermingled

(3) Where an employer sells his business and his employees are intermingled with employees of the employer to whom the business is sold.

(a) the Board may on application to it by any trade union affected.

(i) determine whether the employees affected constitute one or more units appropriate for collective bargaining,

(ii) determine which trade union shall be the bargaining agent for the employees in each such unit, and

(iii) amend, to the extent the Board considers necessary, any certificate issued to a trade union or the description of a bargaining unit contained in any collective agreement;

(b) a collective agreement that affects the employees in a unit determined to be appropriate for collective bargaining pursuant to paragraph (a) that is binding on the trade union determined by the Board to be the bargaining agent for that bargaining unit continues to be binding on that trade union; and

(c) either party to a collective agreement referred to in paragraph (b) may, at any time after the sixtieth day has elapsed from the date on which the Board disposes of an application made to it under paragraph (a), apply to the Board for an order granting leave to serve on the other party a notice to bargain collectively.

Consideration as to fair application of agreement

(4) Upon application being made to it pursuant to paragraph (3) (c), the Board shall take into account the extent to which and the fairness with which the provisions of the collective agreement, particularly those dealing with seniority, have been or could be applied to all the employees to whom the collective agreement is applicable.

Board to determine questions

(5) Where any question arises under this section as to whether or not a business has been sold or as to the identity of the purchaser of a business the Board shall determine the question.

7. Hiring of new employees

The parties to this dispute made it clear to the Board that the items relating to union security have been agreed upon, excepting only the procedure to be followed upon the hiring of new employees. This they refer to as the issue arising under paragraph 5 (e).

The significance of the reference to 5 (e) is that the parties have prepared a draft first agreement with numerous clauses initialled by the representatives of both, signifying settlement and agreement. Paragraph 5 of the document is entitled UNION SECURITY. Within this paragraph is the sub-paragraph (e) which is reserved for the hiring procedure and which is in issue.

Accordingly, it is not necessary for the Board to be concerned about the details of union security to which the parties have already agreed by their successful negotiation and resolution of those points.

To resolve the hiring procedure, we recommend paragraph 5 (e) (the numerical designation chosen by the parties) provide:

> Upon the union establishing a *bona fide* hiring hall at Saint John, New Brunswick, the company agrees the employees (under the agreement) engaged by it in Canada will be hired either through the hiring hall of the union at Saint John, New Brunswick or through the Seamen's section of the Canada Manpower Centers, or, if after the union established a *bona fide* hiring hall at Saint John, New Brunswick, it fails or is unable to fill a request for an employee or employees, or where such employees are not available within three (3) hours of the notified sailing time, the Company or its representatives shall be free to engage them. Until such time as the union establishes a *bona fide* hiring hall at Saint John, New Brunswick, the company or its representatives shall be free to engage new employees.

8. Welfare plan

The employer desires to implement a welfare plan similar to that which it says will be introduced for employees of all companies with which the Irving interests are associated. The employer is unable to give details of the plan because it says these have not yet been finalized. Nor is the employer able to provide a date when the details of the plan will be available for consideration by both

parties. The employer estimates the plan will be known in the next few months. The employer refuses to agree the welfare plan of the bargaining agent will be admitted to the collective agreement until its plan is available for consideration.

The bargaining agent refuses to agree to a collective agreement until a welfare plan is provided the employees.

To resolve this problem the following recommendations are made:

(a) Beginning upon the signing of the collective agreement and continuing each month until April 1, 1973, the employer will pay the bargaining agent a sum equal to the contributions required to entitle eligible employees to benefits from the welfare plan of the bargaining agent. During that time the welfare plan of the bargaining agent will not be specifically incorporated as a part of the language in the collective agreement.

(b) If the employer develops its welfare plan earlier than March 1, 1973, the parties will agree to discuss the proposals of each of the welfare plans of the employer and bargaining agent to settle upon one of the plans which shall then be binding upon the parties during the remainder of the term of the collective agreement.

(c) At this time, the parties may wish to consider providing a procedure that if they are unable to agree as provided in (b), the matter will be placed before an umpire or a board of three with the decision of the umpire or the majority of the three, as the case may be, final and binding on both parties.

(d) If by March 1, 1973, the employer has not produced the details of the welfare plan, then the welfare plan of the bargaining agent will become a part of the collective agreement effective April 1, 1973.

DATED this 27th day of October 1972.

(Sgd.) Lorne O. Clarke
Chairman and Member

Bernard L. Boulanger
Member

Minority Report of Arthur J. Meagher, Q.C.

As nominee of Kent Line Limited, the Employer, on the above Conciliation Board, I wish to advise that because of the particular circumstances existing in this dispute, I cannot concur in certain of the recommendations contained in the report of L.O. Clarke, Q.C., dated the 27th day of October, 1972, the Chairman of the Board.

The Employer is the owner of the Tanker Irving Wood, and the managing agent of eight other ships owned by different Companies. On February 8, 1972, the Union was certified as the bargaining agent for the eleven unlicensed personnel of the Irving Wood. The parties are presently in the process of negotiating the terms of its first collective agreement. Many of the terms of the agreement have been agreed upon and the remaining items in dispute are before the Board. The crews of the other eight ships have not been certified.

The Employer has been a ships' operator for a number of years in Saint John, New Brunswick. For the past fifteen or more years, it has operated a hiring hall to engage employees for the various ships it operates. At the present time, two hundred unlicensed personnel are employed, including the eleven crew members of the Irving Wood.

The Irving Wood is a tanker that delivers oil products to the four Atlantic Provinces and occasionally in the Gulf of Saint Lawrence. As in the case of all the ships, its crew members sign ship's articles with their employment automatically coming to an end on the completion of the articles. The crew of the Irving Wood receive an accumulation of five days off for each month served under articles. The days off may be accumulated and all taken at one time or the equivalent pay may be accepted. A replacement is required when time off is taken by each crew member as the ship continues operating. In addition a ship is drydocked for its annual inspection survey. In the case of the Irving Wood, this requires a period of six weeks at which time the crew are transferred to the other ships operated by the Company. In addition, a ship may be drydocked for repairs and the crew transferred to other ships. This summer the Irving Wood was drydocked for a period of about three months. In short, the operations of the nine ships by the Employer involve a continual transfer of the unlicensed personnel between the various ships. In addition, on the completion of articles, the men must be rehired under new articles or new men signed on. As a result of the heavy turnover in the industry — 75 % on the Great Lakes — hiring halls are used where the men may be hired on. The majority of those rehired by the Employer are men who have completed articles, or who are returning from leave, or who formerly worked for the Company. The Company operates the only hiring hall in Saint John. The Union's hiring Hall is located in Halifax, Nova Scotia and its Atlantic representative is a resident of Halifax.

A major issue before the Board is the wish of the Union that all unlicensed personnel for the Irving Wood be hired through the hiring hall of the Union that is located in Halifax. This would enable the members of the Union to have the first opportunity to be engaged on the ship. On the other hand, it would materially limit the Employer's present system of hiring its personnel through the Company hiring hall, of transferring its personnel freely between the nine ships it operates, or from hiring its former employees who are not members of the Union. In addition, it would transfer the hiring hall formalities from Saint John to Halifax. It is easy to see that the use of the Halifax hiring Hall could cause delays in the sailing of the Irving Wood for under the hiring hall clause of the Great Lakes agreement, proposed by the Union, the Company is only free to hire non-union personnel if the Union does not provide a man within three hours of the ship's sailing time.

In short, the Union's request places material limitations on the present operating system that the Employer has used for over fifteen years, so naturally the Employer is reluctant to change it for the unknown system proposed by the Union.

The existing and former crew members of the nine ships will be materially affected for as the Union Pointed out, it is only interested in its own union members when allotting men to ships. In addition, the closed shop certainly offends against the basic principles of the various provincial Human Rights Acts that are now being enacted.

The report of the Chairman recommends that the Employer commence hiring replacements for the eleven unlicensed personnel of the Irving Wood through the Union's hiring hall as soon as such a hall is opened in Saint John. For the reasons stated above, I cannot agree with the recommendation as it embodies the closed shop principle and compels all new members of the Irving Wood to become members of the Union before they can be hired. It should also be noted that in order to accommodate less than six per cent of the employees involved, the recommendation will also result in the changing of a system of hiring and transferring employees that apparently has successfully functioned for a period of over fifteen years.

There is another important problem. The practical effect of the Chairman's recommendation will be that the men will be induced into joining a Union whose operations are to a great extent

unknown in the Saint John area. In presenting its case to the Board, none of the local officers of the certified Local of the Union were present and their personal views were not presented to the Board. To what extent will the local views of the men be considered by the National Officers? In fact, my impression is that little consideration will be given to them. It was clear the National Officers of the Union wish to have the various terms of the Great Lakes agreements imposed on the Company. Little consideration has been given to the question whether they are suitable to a coastal operation. In fact, the dictatorial attitude of the National Officials raised many queries in my mind.

The basic issues is whether a Board should present a recommendation that will result in a form of Union security that has not been directly approved by the employees involved. I am of the opinion that this is not the Board's function for the two hundred men should themselves decide this basic issue personally by electing to join the Union. No recommendation by a Board should take this election away. Likewise there is no point in making a recommendation that will likely not be acceptable to both parties. For the above reasons, I cannot agree with the Chairman's recommendation (. . .) dealing with the hiring of new employees.

In regard to the Chairman's recommendation Number 8 on the Welfare Plan, for the reasons stated above, I would also recommend that the adoption of such a plan be left in abeyance until the Company's Plan is presented. It might be wise to provide a deadline for the presentation of the Plan and the suggested deadlines of the Chairman appear to be acceptable. However I cannot recommend the acceptance of the Chairman's recommendation that beginning with the signing of the Collective Agreement, the Employer will pay to the Union a sum equal to the contributions required to entitle eligible employees to benefits from the welfare plan of the Union. Again such a recommendation will have the effect of indirectly inducing men to join the Union other than on a voluntary basis.

The various other recommendations of the Chairman have already been agreed upon by, or apparently should be acceptable to, the parties with minor changes, so I need not comment on them.

(Sgd.) Arthur J. Meagher
Nominee of the Employer.

Halifax, Nova Scotia,
October 30, 1972

Report of Board of Conciliation and Investigation established to deal with dispute between:

Lakehead Harbour Commission
and
Lakehead Harbour Police Association

The Board was under the Chairmanship of Dr. Arjun Aggarwall of Thunder Bay, Ont., appointed by the Minister of Labour on the joint recommendation of C.B. Devlin and Allan Guerard, both of Thunder Bay, who were previously appointed on the nomination of the Commission and the Association.

The report was received by the Minister during November.

The Conciliation Board held seven meetings with the parties, on September 25, 26, 27 and October 16, 17, 19 and 23, 1972. All these meetings were held in Thunder Bay. The Board thought if fit to have informal meetings with the parties rather than formal procedure of receiving the evidence and submissions. At the outset, both parties indicated a desire to co-operate with the Board, and to make every effort to reach an agreement on as many of the issues as possible.

During the first three meetings, on September 25, 26, and 27, a general agreement was reached on a number of items. It may be mentioned that the Commission Representatives had a handicap as they could not agree definitely without the approval of the Board of the Commission. On September 27, the meeting was adjourned till October 4, 1972, to allow the Commission Representatives to have the approval of its Board on those items, there was a general agreement, and to receive further instructions with regard to other matters. The Board, however, did not meet on October 4, as scheduled because the Commission desired to have some more time. The Board again met with the Parties on October 16, 17, and 19. During these three meetings a substantial agreement was reached on all issues except on three items relating to use of *Side Arms, Wages* and *Service Pay.* On October 19 the Association, however, modified its wage and service pay demands and submitted a fresh proposal for the consideration of the Commission. Although, the Association had not withdrawn its demand on the use of *Side Arms,* there was sufficient indication that the Association would give up this demand if the Commission would accept its last proposal on *Wage and Service Pay.* The meeting was adjourned for October 23, to allow the Commission Representatives to have the approval and directions of its Board on the new proposals of the Association on *Wages and Service Pay.*

During the last meeting of the Conciliation Board on October 23, the Commission rejected the new proposal of the Association and refused to make any further concession. The Association then had a brief session with its bargaining Committee and reported its inability to accept the last offer of the Commission. Thus, it became evident to the Board that the parties are not likely to reach an agreement on these issues and any further effort on the part of this Board would be futile. Although the parties have not agreed to accept the recommendations of this Board, they, however, have assured the Board that they will give serious consideration to its recommendations.

THE PARTIES HAVE AGREED TO THE FOLLOWING AMENDMENTS:

Item 1 — Sole bargaining agent:

1.01 (a) — The Commission hereby recognizes the Association as the sole Collective Bargaining Agent for all employees of the Commission doing police work. This shall not include the Chief, his assistant and stenographic and secretarial employees.

1.01 (b) — The Commission shall have the right to hire part-time employees during the navigation season who shall be

designated as part-time employees. Their employment shall be subject to the terms of this agreement except for Paragraphs 6.01, the shift rotation provided in Article 7.01, Article 7.03, Article 9.01, Article 10.01, Article 11, Article 12, Article 13.01, Article 14.01. The Parties agree that the discharge or layoff of part-time employees shall not be the subject of a grievance or arbitration. The provision for service pay, and the provisions for attendance at Police College shall not apply to part-time employees.

1.01 (c) — In the event that the Commission desires to increase the supervisory or administrative staff and takes the position that such additional staff should be excluded from the Bargaining Unit, the same shall not occur until the Commission shall have discussed the same with the Association to determine the *bona fides* of such increase. The decision of the Commission shall be subject to Arbitration as hereinafter provided.

Item 2 — Management rights:

The present Article 2.01 (1) is to end after the words "just cause," and a new sub-paragraph is to be added labelled 2.01 (c) "The Commission shall not exercise the above rights in a manner inconsistent with the terms of this Agreement."

Item 3 & Item 4

Item 3 of the request to be withdrawn, and Article 4.03 to be amended so that the deduction for Union dues is to commence after the1st month of employment. No deduction for assessments. *Item 4.* then deleted.

Item 5 — Absenteeism:

The present Article 5.02 (b) is to be deleted and the following to be substituted:

5.02 (b) — An employee is absent from work without the consent of the Commission unless:

(1) he provides a valid reason for such absence, and

(11) he has notified the Commission of such absence or anticipated absence as soon as practicable.

Item 6 — Layoffs:

Article 6.01 shall be amended by adding to the end of the existing Article 6.01 the words, "If a layoff exceeds thirty days, and is not based on seniority, an employee having seniority and the qualifications and ability to perform the work, shall be given three days to demonstrate his ability and qualifications. The decision of the Commission shall be subject to the Grievance Procedure."

Item 7:

The present 7.01 shall be amended to read "All employees shall work a forty hour week, consisting of five daily tours of duty, of eight consecutive hours each. There shall be at least eight hours between each and every tour of duty. These tours of duty shall commence between 8.00 o'clock a.m. and 10.00 o'clock a.m. (herein referred to as a "day shift") 4.00 o'clock p.m. and 6.00 o'clock p.m. (herein referred to as the "afternoon shift"), and 12.00 midnight (herein referred to as a "night shift"). Every employee shall be granted two consecutive days off each week, and these days off shall be rotated each week. Every employee shall be allowed a 20 minute relief period for his lunch during each eight hour duty tour, except on the midnight shift, or in an emergency."

Article 7.01 (b) — In addition to Article 7.01 (a), the Commission may implement, during the navigation season, a shift commencing at 9.00 a.m. (to be known as a day shift), and at 5.00 p.m. (to be known as an afternoon shift).

Article 7.01 (c) — No employee shall be required to work less than one week of day shift, nor more than one week of night shift in any three consecutive weeks.

Item 8 — Overtime:

Article 7.03 shall be amended to read as follows:

"The Commission shall attempt to distribute overtime work as nearly equally as possible amongest the employees. In so doing, the Commission shall make all reasonable efforts to submit the request to work overtime to the employee who has the least amount of overtime hours worked, and is capable of doing the work. New employees shall be positioned in the middle of the overtime list."

Item 9 — Withdrawn by the Association.

Item 10 — Statutory holidays:

Article 8.02 is to be amended so that it reads:

"Article 8.02 — Each employee who qualified for a general holiday under The Canada Labour Code (Part III — Labour Standards), shall be granted one day off with pay for such general holiday. Should any employee be required to work on a general holiday, then, he shall be paid at time and one-half the time for his hours worked on such day, and shall receive a day off with pay at a later date acceptable to the employee and the Commission." This section to have no retroactive effect, past procedures and payments being accepted by the parties hereto.

Item 11 — Holidays:

Article 9.01 in present Agreement to be amended to provide that all employees with six years' or more continuous service shall be entitled to three weeks annual vacation with pay. All employees with fifteen years' or more continuous service shall be entitled to four weeks annual vacation with pay. No retroactive.

An additional paragraph is to be added to read as follows:

"All employees shall be entitled to a holiday every three years during the months of May, June, July and August, provided that no more than one employee shall be on vacation at any one time during such months."

Item 12 — Sick leave:

The present Articles 11.01 and 11.02 shall be deleted and the following substituted therefor:

Article 11.01 as proposed by the Association shall be inserted except that the final line shall read "up to a maximum of 140 days credit in 1972, and 160 days credit in 1973."

Article 11.02 as proposed by the Association.

Article 11.03 as proposed by the Association.

Article 11.04 as proposed by the Association was withdrawn.

Article 11.05 as proposed by the Association.

Article 11.06 as proposed by the Association with the introductory words "after five years of continuous service."

Article 11.07 to read "If the Commission suspects abuses in Sick Leave Claims, then it may require a certificate of a duly qualified medical practitioner to be furnished for any sick leave claimed."

Article 11.08 as proposed by the Association with the introductory words "after five years of continuous service."

Article 11.09 as proposed by the Association, withdrawn, but the parties agree to an amendment to Article 10.01 to read "Article

10.01 (b) — The Commission will consider granting compassionate leave in the case of the death of a close friend or relative not covered by Clause (a).

Item 13 — Medical hospital and drugs:

Article 12.01 to be amended to provide that the Commission shall pay 100% of the hospital and medical insurance and in addition, the Commission shall pay 100% of the cost of the Blue Cross Extended Drug Plan. Not retroactive.

Item 14 — Group life

An amendment to Article 12.02 to provide that the Commission will contribute 2/3 of the premium payable by each subscribing employee to the Group Life Insurance Plan, and the insurance policy shall be amended to provide for $25,000.00 life insurance coverage. Subject to confirmation as to availability from insurer. Not retroactive.

Item 15 — Pension

The Pension Plan shall be amended to provide for commencement of vesting after five years of service. Vesting to be complete after 10 years. To be put in force as soon as practicable and not to be retroactive. Not retroactive.

Item 17 — Grievance procedure:

The existing Articles 16.01 to 17.06 except 17.02, 17.03 and 17.04 are to be deleted from the Agreement, and substituted by the following:

New sub-paragraphs to be inserted for each step in procedure.

Article 16.01 as proposed by the Association, with the change that 15 days will be allowed for the institution of the grievance, 15 days for the meeting of the parties, and 15 days for the agreement if any upon a single arbitrator.

Article 16.02 as proposed.

Article 17.04 subject to read "As set out in Section 37 (8) of Ontario Labour Relations Act."

Article 16.04 was withdrawn by the Association.

Item 18 — Duty roster:

A new article is to be inserted and labelled Article 17.05 and to read: "A weekly duty roster setting out the hours of work and shifts is to be posted on the bulletin board at least three weeks prior to each shift. Any change of shift must be made at least 48 hours prior to such change. This sub-section shall not apply in the case of an emergency or where it is not practicable to do so."

Item 21 — Contracting out:

A new section to be inserted into the Agreement and to read "The Commission agrees not to contract out any of the work done by the members of the Bargaining Unit in such manner as to jeopardize the continued employment of the members of the Bargaining Unit. This shall not apply to those persons excluded in Paragraph 1.01 (a), nor shall it apply in the case of an emergency or under circumstances where members of the Association are unable or unwilling to perform the work.

Item 22 — New classifications:

This Item was first proposed by the Association but was opposed to by the Commission. Subsequently, the Commission proposed it after it had been withdrawn with amended wordings, and it appears as though the wording that was proposed is as follows:

"The Commission shall have the right to create new classifications or positions not listed in the wage schedule attached hereto. The Commission agrees to consult with the Association prior to the creation of such classifications or positions, and shall obtain the Association's consent to the wage rate and conditions of such classifications or positions, if such classifications or positions are in the bargaining unit. If no agreement can be reached between the Commission and the Association as to such wage rates and conditions, the matter may be referred to Arbitration as provided in the Grievance Procedure herein."

Item 23 — Past Practise

The Association agrees to withdraw this request.

Item 24 — Civil and criminal damages:

A new Article to be inserted into the Agreement and to read "The Commission shall provide adequate liability insurance to pay for any damages awarded against an employee in any civil or criminal proceedings brought against such employee, and which civil or criminal proceedings arose as a result of such employee being an employee of the Commission while in the execution of his duty, and the Commission shall provide such insurance coverage for the cost incurred by the employee in any such civil proceedings, and shall provide such insurance to cover the costs of any such criminal proceedings brought against such employee." Subject to confirmation of availability from insurer.

Item 25 — Workmen's Compensation:

A new Article shall be inserted to read as follows: "The Commission may pay an employee who is awarded compensation by The Workmen's Compensation Board, and the full monthly wage of the employee for the period during which the said employee is receiving Workmen's Compensation and is unable to carry out his duties with the Commission."

Item 26 — Police college:

A new article to be inserted in the appropriate place in the agreement to read as follows:

"If the Commission sends employees to take the general course offered by the Ontario Police College, then the senior employees shall be given preference. This shall not apply to employees over the age of 55, nor to employees who are not medically qualified. The Commission shall pay such employees their full rate of pay plus $25.00 per week while such employees are receiving such training."

THE POSITION OF THE PARTIES ASSOCIATION'S DEMANDS

(1) **Item 16 — Side arms:**

The Association first proposed that side arms be worn by every officer and subsequently amended its position on this, and it appears that an agreement was reached on this point, and the Association now takes the view that the proposal should read:

"In operations or circumstances where the Commission deems it necessary that side arms be worn by employees, then they shall be issued to employees on an equal basis unless there is valid reason for not issuing a side arm to any employee."

(2) **Item 19 — Service Pay:**

With salary to read as follows:

Service pay shall be granted to all employees on the following basis:

$60.00 per year after five years of service;

$120.00 per year after 10 years of service;

$180.00 per year after 15 years of service:

Service pay is to be paid on or before the 15th day of December, of each year and calculated as follows:

Any employee who has completed the specified number of years of service up to and including the 31st day of December, shall be entitled to the full amount of service pay in accordance with the number of years and amounts indicated above. Any employee who leaves the service during the year, or the estate of any employee who dies during the year, shall be entitled to the payment of service pay pro-rated on the basis of the amount of service completed at the date of separation.

(3) **Item 20 — Wages**

The Association proposed an increase in wages, and its final position on this was as follows:

	1972	1973
Part - Time	$ 3.00 per hour	$ 3.00 per hour
Probationary	$ 8,000.00	$ 8,000.00
After 1 year	$ 8,700.00	$ 9,100.00
After 2 years	$ 9,140.00	$ 9,540.00
After 3 years	$10,350.00	$11,450.00
Corporal	$10,500.00	$11,650.00

The pay schedule shall be retroactive to the 1st day of January, 1972.

COMMISSION'S OFFER

(1) **Item 20 — Wages**

Class	1972	1973
Part-time	$ 3.00 per hour	$ 3.00 per hour
Probationary	$ 8,000.00	$ 8,000.00
Constable		
After 1 year	$ 8,700.00	$ 9,100.00
After 2 years	$ 9,140.00	$ 9,540.00
After 3 years	$10,000.00	$11,000.00
Corporal	$10,400.00	$11,400.00

(2) **Item 19 — Service Pay**

The Commission makes no offer with respect to service pay as requested in Item 19 in the Requests of the Association and submits that such requests should be withdrawn or disallowed.

(3) **Item 11 — Side Arms**

The Commission rejects any amendment to the Agreement placing any limitation on the discretion of the Commission on the use or issuance of side arms.

(4) The Commission is prepared to agree to the remaining Items as amended or withdrawn solely on the condition that they would constitute part of a settlement or finding which would include the position of the Commission as set forth in the preceding three paragraphs hereof and are not accepted by the Commission on any other conditions.

BOARD'S RECOMMENDATIONS

(1) **Wages**

The Board unanimously recommends the following wage scale for the two-year period of 1972 and 1973 applicable retroactively. These wages are the same as offered in the Commission's last offer. The Board feels that the wages offered by the Commission coupled with the Service Pay recommended by this Board would provide a just and fair wage.

Class	1972	1973
Part-time	$ 3.00 per hour	$ 3.00 per hour
Probationary	$ 8,000.00	$ 8,000.00
Constable		
After 1 year	$ 8,700.00	$ 9,100.00
After 2 years	$ 9,140.00	$ 9,540.00
After 3 years	$10,000.00	$11,000.00
Corporal	$10,400.00	$11,400.00

(2) **Service Pay**

The Board recommends the payment of the Service Pay starting from the year 1973 and payable in December of each year as follows:

$60.00 per year after five years of service;

$120.00 per year after ten years of service;

$180.00 per year after 15 years of service;

Service pay is to be calculated as follows:

Any employee who has completed the specified number of years of service up to and including the 31st day of December, shall be entitled to the full amount of service pay in accordance with the number of years and amounts indicated above. Any employee who leaves the service during the year, or the estate of any employee who dies during the year, shall be entitled to the payment of service pay pro-rated on the basis of the amount of service completed at the date of separation.

(3) **Issuance of Side Arms**

The Board feels that it is the prerogative of the management (Commission) to have its own policy regarding the issuance of side arms. The Board, however, is of the opinion that a definite and clear policy would avoid misunderstanding and suspicion regarding the misuse of discretion and would foster a sense of equity and fairness which are essential for healthy relations and confidence, particularly for an operation of this nature. The Board, thus recommends that the Commission, keeping in mind the needs of its operation and circumstances, adopt a policy regarding the issuing of side arms, as soon as possible.

(4) The Board also recommends that the Commission be allowed 30 days for making retroactive payments from the date of the agreement.

The Board wishes to express its appreciation to the Representatives of the Association and the Commission for their co-operation throughout the proceedings.

Thunder Bay, Ontario, October 28, 1972.

(Sgd.) C.B. Devlin,
Commission Nominee

Allan Guerard,
Association Nonimee

Arjun P. Aggarwel,
Chairman.

Report of Board of Conciliation and Investigation established to deal with dispute between:

Transair Limited, Winnipeg International Airport

and

Canadian Air Line Flight Attendants' Association

The Board was under the Chairmanship of Roy A. Gallagher, Q.C. of Winnipeg, appointed by the Minister of Labour in the absence of a joint recommendation from W.R. DeGraves, Q.C., and E. Shewchuck, both of Winnipeg, nominees of the company and union, respectively.

The report was received by the Minister during October.

At the commencement of the meeting with the parties the Board requested the spokesman for the Association to state the Association's position on the matters in dispute between the parties.

Mr. Smeal responded by stating that, with all due respect to the members of the Board, it was the Association's position that nothing would be gained by canvassing the disputes since they involved the highly technical and unusual working conditions of the members of the Association, and, as well, the divergence in views of the parties was so wide as to be impossible of bridging at least at this point in time. He stated also that it was the Association's position that the matter would only be settled (if at all) by the parties being left free to exercise those recourses open to them at law.

The Board then held separate discussions with the representatives of both parties, and from these discussions it became absolutely clear that this Board could not serve any useful purpose since the areas of difference between them was so great that no efforts by the Board would be able to bridge them.

It might be added that in the separate meetings above referred to both parties made it clear to the Board that they were not prepared to move from the final position taken before the Conciliation Officer, and both parties indicated clearly that under the circumstances this Board could serve no useful purpose.

It is with regret that we have to make such report (. . .) but the above is the unanimous opinion of this Board.

(Sgd.) R.A. Gallagher,
Chairman

E.M. Shewchuck,
Member

W.R. DeGraves,
Member.

September 11th, 1972.

Reasons for Judgment in Application for Certification Affecting

Vancouver-New Westminster Newspaper Guild, Local 115

of the Newspaper Guild **(Applicant)**

and

Moffat Broadcasting Ltd. (Station CKLG,) Vancouver, B.C. **(Respondent)**

The Board consisted of A.H. Brown, Chairman, and E.R. Complin, J.A. D'Aoust, Donald MacDonald, Gérard Picard, R.C. Smith, and W.T. Wilson, Members. The Judgment of the Board was delivered by the Chairman.

Reasons for Judgment

1. The Applicant, a craft trade union, is a local union chartered by The Newspaper Guild, A.F.L.—C.I.O., C.L.C., an international union with headquarters at Washington, D.C., in the United States of America.
2. The Respondent is a division of Moffat Broadcasting Ltd. a corporation with head office at Winnipeg, Man., which operates private commercial radio broadcasting stations at a number of points in Western Canada including Station CKLG at Vancouver, B.C., under radio broadcast licences issued by the Canadian Radio and Television Commission.
3. The Applicant applies to the Board to be certified as bargaining agent for a unit of employees of the Respondent employed in the news department of radio station CKLG at Vancouver, B.C., excluding the news director who is the supervisor of this department. The Respondent filed a reply with the Board dated July 13, 1972, opposing the application on grounds set forth therein and requested a hearing on the application. In accordance with this request the Board by notice dated September 27, 1972, set down the application for hearing on October 24, 1972.

In its opposition to this application, the Respondent contends that the said bargaining unit is inappropriate for collective bargaining and that the only appropriate unit for this purpose would be a unit consisting of all employees of the Respondent employed in the operation of the said radio station. The Applicant submits that the unit of employees for which it seeks certification is comprised of a craft group and that the Applicant is a trade union pertaining to this craft and

that the unit is appropriate for collective bargaining pursuant to the provisions of Section 114 of Part V of the Canada Labour Code which reads as follows:

> "114. Where a group of employees of an employer belong to a craft or group exercising technical skills, by reason of which they are distinguishable from the employees as a whole and the majority of the group are members of one trade union pertaining to such craft or other skills, the trade union may apply to the Board subject to section 113, and is entitled to be certified as the bargaining agent of the employees in the group if the group is otherwise appropriate as a unit for collective bargaining."

While the Board has been accorded a wide discretion under the provisions of Part V of the said Code in the determination of what constitutes an appropriate bargaining unit in any particular case or set of circumstances, this discretion is circumscribed by the provisions of Section 114 in the determination of the appropriate bargaining unit on an application for certification where it finds that these provisions are applicable thereto. In the opinion of the Board on the evidence the employees comprising the bargaining unit for which the Applicant seeks certification belong to a craft or group exercising technical skills within the meaning of Section 114 and finds that this unit of employees is otherwise appropriate for collective bargaining and that the Applicant is a trade union pertaining to the craft or group of technical employees comprising the unit. The Board has certified the parent union as well as some chartered locals thereof including the Applicant as bargaining agent for units of news department employees in a number of radio and television undertakings in Canada pursuant to the provisions of Section 114 of Part V of the Canada Labour Code or the corresponding and identically worded Section 8 of the predecessor legislation the Industrial Relations and Disputes Investigation Act. The Board does not find on the evidence that there are circumstances in the present application which warrant a different finding in respect thereto. It may be of some interest to point out also that the Board has certified another craft union whose membership comprises technicians employed in the radio and television industry as bargaining agent for units of employees consisting of technicians employed by radio and television stations in a considerable number of cases in various parts of Canada pursuant to provisions of Section 114 of the legislation cited above and that the Board has granted certifications of other craft unions pertaining to the radio and television industry as bargaining agents for units of employees pertaining to the craft. On the other hand, on a number of applications for certification as bargaining agent for units of employees comprised of all employees employed in a radio undertaking which did not fall within the purview of the aforecited craft section, the Board has found such units to be appropriate for collective bargaining and has granted certifications based upon such finding.

4. The Respondent's reply to the application did not take issue with the claim of the Applicant set forth in the application that six of the seven employees of the Respondent in the proposed bargaining unit were members in good standing of the Applicant and its reply simply stated that the Respondent neither admitted or denied this claim. No intervention has been filed with the Board by or on behalf of any employees or group of employees of the Respondent in the proposed bargaining unit.

5. Based upon the report of its Investigating Officer following his check of the payroll records of the Respondent as of the date of the application for certification, June 21, 1972, and the membership records of the Applicant at that date, the Board finds that there were seven employees of the Respondent at that time in the bargaining unit which the Board has found to be appropriate for collective bargaining of whom six were members in good standing of the Applicant.

6. It was only by telex message to the Board on October 19, 1972, that the Respondent gave notice that at the hearing on October 24 it would raise the issue of whether a majority of employees in the proposed bargaining unit are members in good standing of the Applicant or wish to have the Applicant selected to be the bargaining agent on their behalf.

7. On this issue the evidence given at the hearing is that two employees in the bargaining unit namely newsmen Palmer and Whale had left the employment of the Respondent on June 30, 1972, in accordance with resignation notices previously filed by each of them with the Respondent, one dated June 4 and the other June 10, 1972. The evidence of Hamilton, General Manager of the Respondent, is that the Respondent was unable to secure replacements for these two employees until October 17, 1972, when one of these vacancies was filled by the transfer into the news department of one N.W. Vidler otherwise known as Gary Russell who had been the supervisor in charge of the Respondent's production department immediately prior to the transfer and that this transfer was in effect a demotion for Vidlet from a supervisory position involving the exercise of managerial functions to that of newsman. Hamilton's evidence was that the transfer was occasioned at the request of Vidler following advice received by Vidler from Vidler's medical adviser that Vidler should be relieved from pressure of work as supervisor and should otherwise resign from the service of the Respondent. The representative of the Applicant, following his cross-examination of Hamilton and in his submission to the Board following the completion of the evidence, submitted that the transfer of a member of management into the bargaining unit immediately prior to October 19, 1972, is evidence of an obvious intent on the part of the Respondent to attempt thereby to destroy the majority union membership standing in the bargaining unit held by the Applicant.

8. The Respondent offered in evidence subject to the objection of the Applicant the affidavits of three employees of the Respondent claimed to be in the news department which had been secured by the Respondent from these employees. The Applicant had not been furnished with copies of this material prior to the hearing nor any advance notice in respect thereof from the Respondent prior to the hearing. The Board reserved its decision on the Applicant's objection as to the admissibility of these affidavits as evidence pending consideration of evidence adduced at the hearing as to the manner and circumstances under which these affidavits were secured. Subject to this reservation the contents of these affidavits as read by the Respondent into the record at the hearing are summarized as follows: In his affidavit dated October 19, 1972, J.E. Farr states he signed as a dues paying member of the applicant in April 1972, that in June 1972 he told one Larry Sell an organizer for the Applicant that he intended to resign from the union and in July 1972 he attended the Applicant's office and handed in his union membership card and received a refund of his paid union dues of $3.00, that he does not wish the union to be certified as bargaining agent on his behalf and that neither the Respondent nor anyone on its behalf has sought by intimidation or threat to have him sign the affidavit and asks that a representation vote be ordered by the Board. In his affidavit of October 19, 1972, N.W. Vidler otherwise known as Gary Russell in substance states that he is employed as a newsman by the Respondent, that he has never been a member of the Applicant, that he does not wish the union to be

certified as bargaining agent on his behalf, that neither the Respondent nor anyone on its behalf has sought by intimidation or coercion to make him sign the affidavit or to compel him to refrain from becoming a member of the union, that he wishes the Board to dismiss the application or order a representation vote. In his affidavit of October 20, 1972, Gordon Johnson states in substance that he is employed as a newsman, that in April 1972 he joined the Applicant, that on October 13, 1972, he sent a letter to the Applicant saying that of his own volition he no longer wished to continue membership in the Applicant and asked the Applicant to cancel his enclosed membership card as of that date. The evidence of Hamiltion is that each of these three employees approached him voluntarily shortly prior to the date of the making of the affidavits to tell him of the employees' attitude in opposition to the application of the Applicant and that very shortly thereafter these employees were directed by management of the Respondent to go to the solicitors for the Respondent for the preparation and signing of the affidavits produced at the hearing. The affidavits signed by these employees were drawn by the solicitors for the Respondent and the arrangements for their signatures under oath were made by these solicitors. Hamilton's evidence is that in the week preceding the hearing he telephoned Gordon Johnson the signer of one of the affidavits from California to determine whether Johnson was prepared to give evidence at the hearing, and was told by Johnson that he could be available therefor if the Respondent wanted him to and that he left this up to the Respondent. Johnson was not produced by the Respondent at the hearing as a witness.

9. The Board has considered carefully the evidence given as to the manner and circumstances under which the affidavits were prepared and the signatures thereto were secured by the Respondent. In the opinion of the Board the evidence leads to the conclusion that the Respondent had embarked upon a course of action which had the effect of breaking down or calling into question the majority support of the Applicant by the employees in the bargaining unit as established by the majority membership in good standing held by the Applicant of the employees in the unit. While an employer may express his views in an appropriate manner on the issues involved in representation proceedings as these may directly affect him, he should bear in mind in so doing the force and weight which such expression of views or actions taken by the employer in pursuance thereof may have upon the minds of his employees and which derive from the nature and extent of his authority as an employer as regards their working conditions and continuity of employment and should take care that such expression of views and actions taken in attempting to give effect thereto do not constitute or may not be reasonably construed by the employees to be an attempt by intimidation or threats or other means of pressure exerted upon them to interfere with their freedom to join a trade union of their choice or to otherwise select a bargaining agent of their own choice. The Board concludes on the evidence as to the manner and circumstances under which the affidavits of the employees in the bargaining unit which the Respondent sought to introduce at the hearing were secured by the Respondent, that no weight can be given by it to the consent of these affidavits as expressions of the true wishes of the deponents. As regards the request made by the Respondent that the Board order a vote by secret ballot to determine the wishes of the employees in the bargaining unit, the Board is of opinion that in the circumstances of the present case such course of action is unlikely to secure a free expression of the wishes of the employees in the unit as to their choice of the Applicant as their bargaining agent in view of the nature and extent of the pressures that have been brought to bear upon this small group of employees by the Respondent. The Board is of opinion that in the circumstances the evidence of majority membership in good standing in the Applicant of the employees in the bargaining unit constitutes acceptable evidence of the wishes of the employees in the bargaining unit which the Board has found to be appropriate for collective bargaining.

10. Accordingly an order will issue certifying the Applicant as bargaining agent for the unit of employees of the Respondent which the Board has found to be appropriate namely a unit of employees of the Respondent working in the news department of Station CKLG at Vancouver, B.C., excluding the news director.

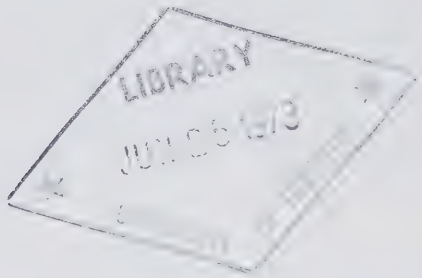
(Sgd.) A.H. Brown,
Chairman, for the Board.

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K1A 0J2

CA1L-C52

CONCILIATION BOARD REPORTS
together with
CLRB REASONS FOR JUDGMENT

No. 8, 1972



Conciliation Board report in dispute between:

Wardair Canada Ltd. and Canadian Air Line Flight Attendants' Association

Reasons for Judgment in Application for Certification Affecting:

Communications Workers of Canada, Local 6, and Northern Telephone Limited and J.R. Phyllis, F. Mendes, et al, and Victor Legault, and Paul Frazer, Aime Pelletier, et al, and Mrs. N. Pinkerton, et al.

Messabec Limited and Canadian Marine Officers' Union

CANADA DEPARTMENT OF LABOUR

Hon. Martin O'Connell, Minister

Bernard Wilson, Deputy Minister

Report of Board of Conciliation and Investigation established to deal with dispute between:

Wardair Canada Ltd., Edmonton

and

Canadian Air Line Flight Attendants' Association

The Board was under the Chairmanship of Thomas C. O'Connor of Toronto, appointed by the Minister of Labour in the absence of a joint recommendation from the other two members of the Board, A.O. Ackroyd, nominee for the company, and Roy Jamha, nominee for the union, both of Edmonton. Each member of the Board contributed separately to the report.

The report was received by the Minister during December.

The Board met with the parties on three different occasions in the City of Edmonton, during September and October, 1972.

Negotiations broke down on a Union request for a scheduled duty day limitation of 14 hours and an absolute limitation of 16 hours.

And the Union's position in this issue is set forth in paragraphs 27, 28, 37 and 38 of the submission.

27. This is one of the most difficult problems the Board will have to grapple with because it is not something that can be solved by the payment of additional money as is traditional in other occupations. The Association is proposing that the Company be restricted to scheduling stewardesses for a maximum of 14 hours on duty, (other than by mutual agreement between the Association and the Company.) We are talking about a flight attendant's scheduled duty time, which in Wardair commences one and a half to two hours before flight departure and continues until approximately 30 minutes after flight arrival at final destination.

28. It is important that the Board recognize the difference between scheduled duty and actual duty. Because of the nature of the flying business, a scheduled duty day of 14 hours or less can extend well beyond 14 hours. The scheduled duty time of a flight attendant does not take account of delays occasioned by poor weather, mechanical problems, holdups in ground handling, and numerous other factors which may extend the actual time spent on duty considerably beyond the scheduled time. The Association is asking for the right of an employee to refuse further duty when that day exceeds 16 hours.

37. **Industry Practice –**

The majority of North American flight attendants work under a scheduled limitation of 14 hours or less, and many have some kind of an actual limitation (. . .). Wardair stewardesses have no limiations whatsoever, and an analysis of a recent schedule clearly shows that scheduled duty days of 23 and 24 hours duration are not uncommon. In no other segment of society are employees asked to remain on duty for 24 consecutive hours.

38. Recognizing that there are some instances where it may be impossible to handle a particular flight in any other manner, we have submitted a proposal that allows for extension of the scheduled duty day by mutual consent of the parties, to cover these situations. But under all other circumstances we feel that the flying could and should be scheduled within a 14 hour limitation. Moreover, we are asking for the right of stewardesses to refuse further duty when actual time spent on duty extends beyond 16 hours.

The Company's submission during the last hearing of the Board was as follows:

The Company cannot hold its present business, let alone expand upon this formula. We are prepared to agree to a scheduled duty day for revenue flying of fifteen (15) hours which may be exceed by five (5) hours for deadheading and positioning only. We are also prepared to agree to bonus for hours in excess of fifteen (15) hours in a duty day, the bonus to be fifty per cent (50%) of the rate which the stewardess would be entitled to under the contract for the work carried out, such calculations to be made to the nearest one-half (1/2) hour. The Company is also prepared to agree that it will not establish and schedule duty days exceeding fifteen (15) hours in a greater proportion or ratio than has been the case with respect to its business in 1972.

During negotiations the employer stated that he was prepared to pay a bonus or premium rate for the additional time over and above the 15 hours, but this proved to be unacceptable to the Association.

The employer stated that it was much easier for scheduled airlines such as Air Canada and Canadian Pacific Airlines to agree to a 14–16 formula, but stated that it was very much a different matter when you consider the charter airline business in which Wardair is involved.

We agreed after discussing the matter with the parties that it would be difficult for Wardair to accept the 14–16 formula at the present time, for the reason that in a number of cases the time required to fly the charters to the various locations requires more time than the 14–16 formula provides.

We would recommend that the 14–16 formula should be the objective of Wardair, but in the interval until the business of the Company will permit the establishment of such a formula, that the employer consider a bonus arrangement and additional staff for the flights which require additional time over and above the 14–16 formula.

Because of the fatigue factor which the Association has established as a legitimate concern, the parties must be prepared to consider the proposal of additional staff as a possible solution to a difficult problem.

As to the other issues in dispute they are based on a resolution of this issue.

Signed this 4th of December, 1972 in Toronto, Ontario.

Thomas C. O'Connor,
Chairman

Report of the representative of Canadian Air Line Flight Attendants' Association regarding a dispute between the Association and Wardair Canada Limited, Edmonton.

Recognizing the valiant effort expended by the Chairman in trying to get the parties in this dispute to reach some kind of settlement of the issues still remaining and with all due sympathy

for his task of proposing a solution, I must take the position that any recommendation which does not bring Wardair into line with the rest of the industry, particularly on basic issues, is not being fair to the flight attendants.

The association indicated its preparedness to live with less than what the industry otherwise provides on various items including wages, vacations, guarantees etc.

To suggest that they should further accept what is in effect a retrograde step regarding an all important and humane working condition (the 14-hour duty day) is to negate all the advances other employees in the industry have fought for and won over the years.

The suggestion that in lieu of the 14—hour duty day, an extra stewardess be added to lengthy flights is not a practical solution. It would only be practical if the other attendants were relieved and allowed a proper rest in adequate facilities such as a bunk or pullmanized seat. But the Company gave every indication any relinquishing of such valued saleable space would not very likely be tolerated.

Without the aforementioned facilities, provided, by the way, by C.P. Airlines and Pacific Western Airlines for flight attendants scheduled to fly more than 12 hours in any 24—hour period, the only result would be one more fatigued stewardess.

There is no reason why Wardair, the major charter company in Canada, cannot live by the same scheduling rules for its employees as other airlines with separate and operating charter businesses have been doing for years.

The Board should recommend on the other issues but, in view of the inordinate length of time this dispute has taken it would only be fair to the Union to produce this award at the earliest possible date allowing them to proceed to whatever next step is necessary in order to engender more meaningful negotiations on those items remaining.

November 29, 1972

(Sgd.) Roy Jamha,
Member

Report of A.O. Ackroyd

1. WAGES

This item, and indeed other items in the Agreement, may be affected by the average hours worked or required to be worked by the stewardesses. Considerable time was taken up during the Conciliation Board meetings with the Parties in order to arrive at a guaranteed minimum salary and hourly rate. The Board considered the average number of hours per month worked by the stewardesses as reflected in the Company's records. This number may vary from girl to girl but Company-wide was shown to be at or about 50 hours per month in winter and at or about 65 flying hours in summer.

On this basis the Board reviewed proposed hourly rates which might generate a comparable level of earnings to those employed by the major carriers who work on a 65—hour monthly gurantee.

There seems to be little argument against the proposition that the major carriers, because of the ability to schedule, make maximum utilization of the hours involved in the gurantee, i.e. no girl would work less than the guarantee. It seems apparent, however, from Company records that the same factor of scheduling does not favour Wardair whose business is charter and not scheduled.

The problem facing the Board is to rationalize the differences between the two types of operations in so far as guaranteed salary is concerned.

The Union suggests a guarantee of 65 hours so as to compare with major carriers. The Company argues that it cannot anticipate utilization of services over the period of guarantee. It seems to the Board that a reasonable compromise could be effected if the major carrier hourly rate for the 65 hours was applied to the average of 55 hours monthly or 165 quarterly in order to establish the Wardair minimum guarantee.

On this basis the Board recommends that the Parties consider a quarterly guarantee of 195 hours (65x3) at a rate which would yield approximately the same amount as would be received by a major carrier stewardess if restricted to Wardair hours without guarantee.

We would accordingly recommend the following schedule for flight pay per hour for a two (2) year over 4 steps of 6 months each, viz:—

RATES ARE SET OUT AT FLIGHT PAY PER HOUR

First Stewardess	1st 6 6 mos.	2nd 6 mos.	3rd 6 mos.	4th 6 mos.
1st year	$7.90	$8.15	$8.40	$ 8.65
2nd year	$8.25	$8.50	$8.90	$ 9.00
3rd year	$8.60	$8.90	$9.10	$ 9.40
4th year	$8.90	$9.20	$9.45	$ 9.75
5th year	$9.35	$9.55	$9.80	$10.10
Second Stewardess				
1st year	$6.95	$7.15	$7.35	$ 7.60
2nd year	$7.30	$7.50	$7.75	$ 7.95
3rd year	$7.60	$7.85	$8.05	$ 8.30
4th year	$7.95	$8.20	$8.40	$ 8.65
5th year	$8.25	$8.55	$8.75	$ 9.05

The quarterly guarantee would be determined by multiplying the above rates by 195 or otherwise prorated where necessary.

The Company had earlier proposed that the classification of 3rd and 4th stewardess be phased out over the life of the Agreement. This item appears to have been resolved as between the Parties.

2. Monthly maximum flying hours limitation.

It was indicated to the Board that the following provisions were agreed to with respect to above and the Board so recommends, viz; (a) and (b) below: —

(a) Commencing November 1st, 1972, the maximum limitations on flying will be:

For the quarter, November, December and January	— 255 hours
February, March and April	— 255 hours

Commencing May 1st, 1973, the maximum hours will be:

For the quarter, May, June and July	— 255 hours
August, September and October	— 255 hours
November, December and January	— 240 hours
February, March and April	— 240 hours

(b) It was agreed also that the Company will be entitled to schedule a Stewardess for a trip, provided the maximums

above set out are not exceeded on the outgoing leg of a flight. If there are more than two legs to a trip, the Company will be entitled to schedule a Stewardess to the same, provided one-half of the total trip flying hours would not exceed the Stewardess' quarterly maximum.

The Parties discussed and appeared to agree to the following new provision and the Board so recommends: —

Each Stewardess will be guaranteed that in each quarter, she will be scheduled for thirty (30) days out of flying; it being understood that in calculating such days, no day will be counted until the Stewardess has received forty-eight (48) continuous hours out of flying, which forty-eight (48) hours would then apply as two (2) days, and provided further that those days on layover in excess of two (2) days, but not exceeding a four (4) day credit against the guarantee per trip, would also apply as days out of flying for the purpose of gurantee.

3. **Duty day.**

Negotiations broke down on a Union request for a scheduled duty day limitation of 14 hours and an absolute limitation of 16 hours.

And the Union's position in this issue is set forth in paragraph 27, 28, 37 and 38 of the submission.

27. This is one of the most difficult problems the Board will have to grapple with because it is not something that can be resolved by the payment of additional money as is traditional in other occupations. The Association is proposing that the Company be restricted to scheduling stewardesses for a maximum of 14 hours on duty, (other than by mutual agreement between the Association and the Company). We are talking about a flight attendant's scheduled duty time, which in Wardair commences one and a half to two hours before flight departure and continues until approximately 30 minutes after flight arrival at final destination.

28. It is important that the Board recognize the difference between scheduled duty and actual duty. Because of the nature of the flying business, a scheduled duty day of 14 hours or less can extend well beyond 14 hours. The scheduled duty time of a flight attendant does not take account of delays occasioned by poor weather, mechanical problems, hold ups in ground handling, and numerous other factors which may extend the actual time spent on duty considerably beyond the scheduled time. The Association is asking for the right of an employee to refuse further duty when that day exceeds 16 hours.

37. **Industry Practice.**

The majority of North American flight attendants work under a scheduled limitation of 14 hours or less, and many have some kind of an actual limitation (. . .). Wardair stewardesses have no limitations whatsoever, and an analysis of a recent schedule clearly shows that scheduled duty days of 23 and 24 hours duration are not uncommon. In no other segment of society are employees asked to remain on duty for 24 consecutive hours.

38. Recognizing that there are some instances where it may be impossible to handle a particular flight in any other manner, we have submitted a proposal that allows for extension of the scheduled duty day by mutual consent of the parties, to cover these situations. But under all other circumstances we feel that the flying could and should be scheduled within a 14 hour limitation. Moreover, we are asking for the right of stewardesses to refuse further duty when actual time spent on duty extends beyond 16 hours.

The Company's submission during the last hearing of the Board was as follows: —

> The Company cannot hold its present business, let alone expand upon this formula. We are prepared to agree to a scheduled duty day for revenue flying of fifteen (15) hours which may be exceeded by five (5) hours for deadheading and positioning only. We are also prepared to agree to bonus for hours in excess of fifteen (15) hours in a duty day, the bonus to be fifty per cent (50%) of the rate which the Stewardess would be entitled to under the contract for the work carried out, such calculations to be made to the nearest one-half (1/2) hour. The Company is also prepared to agree that it will not establish and schedule duty days exceeding fifteen (15) hours in a greater proportion or ratio than has been the case with respect to its business in 1972.

During negotiations the employer stated that he was prepared to pay a bonus or premium rate for the additional time over and above the 15 hours, but this proved to be unacceptable to the Association.

The employer stated that it was much easier for scheduled air lines such as Air Canada and Canadian Pacific Airlines to agree to a 14—16, formula, but stated that it was very much a different matter when you consider the charter airline business in which Wardair is involved.

We agreed, after discussing the matter with the Parties, that it would be difficult for Wardair to accept the 14—16 formula at the present time for the reason that in a number of cases the time required to fly the charters to the various locations requires more time than the 14—16 formula provides.

We would recommend that the 14—16 formula should be the objective of Wardair in the long range, but in the interval until the business of the Company will permit the establishment of such a formula, that the employer consider a bonus arrangement and additional staff for the flights which require additional time over and above the 14—16 formula. The additional staff in most cases would be no more than one additional stewardess.

Because of the fatigue factor which the Association has claimed as a legitimate concern the Parties must be prepared to consider the proposal of additional staff as a possible solution to a difficult problem.

As a part of the duty day concern is the issue with regard to rest periods. The recent Trans Air settlement with the same Union established nine (9) hour rest periods away from home base and we recommend this to the Parties.

4. It will be observed that the wage proposal in this report covers a period of twenty-four (24) months and we recommend implementation of the Agreement for guaranteed wage purposes as at April 21, 1972, other provisions to become effective on the signing of this Agreement.

Signed this 7th day of Dec., in Toronto, Ontario.

(Sgd.) A.O. Ackroyd,
Member.

CANADA LABOUR RELATIONS BOARD

Reasons for Judgment in Application for Certification Affecting

Communications Workers of Canada, Local 6 **(Applicant)**

and

Northern Telephone Limited **(Respondent)**

and

J.R. Phyllis, F. Mendes, et al **(Interveners)**

and

Victor Legault **(Intervener)**

and

Paul Frazer, Aime Pelletier, et al **(Interveners)**

and

Mrs. N. Pinkerton, et al **(Interveners)**

The Board consisted of J.J. Quinlan, Q.C., Vice-Chairman and Acting Chairman, and E.R. Complin, J.A. D'Aoust, Donald MacDonald, Gérard Picard, and R.C. Smith Members. The Judgment of the Board was delivered by the Vice-Chairman and Acting Chairman.

The Applicant has applied for certification as bargaining agent for all employees of the Respondent in Ontario and Québec excluding management personnel and those employed in a confidential capacity in matters relating to labour relations. The Respondent contested the application, inter alia, on the ground that the Board does not have jurisdiction. The number of employees in the proposed bargaining unit is 297 and four groups representing 28 employees intervened to oppose the application.

At the commencement of the hearing on November 16, 1972, counsel for the Applicant submitted that since the first issue was whether the Board had constitutional jurisdiction, he proposed to deal with this first but was of the view that all aspects of the application should be dealt with at the hearing. Counsel for the Respondent submitted that the issue of jurisdiction should be settled first. While the Board was inclined to the position that the application as a whole should be dealt with so that, if either party subsequently desired to take proceedings to quash any decision the Board might make, the whole issue would be before the Court, no final decision on the manner of procedure was reached. In any event, the evidence and argument on the constitutional aspect was completed too late in the day to proceed with other aspects of the application. Also, the Applicant and Respondent requested adjournment following the hearing on the question of jurisdiction, indicating there might be some areas where agreement could be reached between the parties on contested classifications. With agreement of the parties and interveners, the Board therefore adjourned the hearing to December 13, 1972.

Prior to June 1967, operations were carried on under the name of Northern Telephone Co. Limited and embraced all employees of that Company in Ontario and Québec. On the above date the assets of that Company were divided and a new Company, Northern Telephone Limited (hereinafter referred to as the Company) was formed covering all aspects of the Ontario operation with Head Office in New Liskeard. The Québec operation was covered by the formation of a new company, Télèphone du Nord de Québec Inc. (hereinafter referred to as the Québec Company) with Head Office in Val d'Or. It was stated in evidence that 97% of the common shares of the Company are owned by Bell Canada and that the Québec Company is a subsidiary of the Company.

According to the Investigating Officer's report, the nature of business of the Company as described by the Vice-Chairman and Acting Chairman at the hearing is as follows:

> "it provides telephone, telecommunication (including microwave and teletype services) and data processing services. The telephone services provided cover local telephone services in the broad areas which follows the King's Highway No. 11 as far west as Hearst, Ontario, and as far south as Latchfort, Ontario, including such communities as Cobalt, Haileybury, New Liskeard, Englehart, Earlton, Gowganda, Kirkland Lake, Timmins and Kapuskasing, Ontario. Long distance telephone calls outside the area in which the above communities are located are handled through the facilities of Ontario Northland Communications. Ontario Northland Communications make the long distance telephone call connections between Northern Telephone Limited customers and customers serviced by such companies as Bell Canada and Telephone du Nord de Québec, etc. The Telephone operation involves the handling of telephone calls, customer billing, installation of equipment, maintenance and repair of equipment.
>
> The Respondent also provides a computer and data processing service known as Business Information Services (B.I.S.). This service is used for customer billing and other internal statistical requirements of Northern Telephone Limited. It is also used for the customer billing and statistics required by Telephone du Nord de Québec and provides data processing services for other organizations such as public utilities and school boards. Teletype services offered by Northern Telephone Limited are known as TWX and this service connects with other similar services offered by such companies as CN—CP Telecommunications. The Respondent also installs and maintains microwave equipment which is tied in with radar defense equipment operated for and by the Department of National Defence."

Counsel for the Applicant requested permission to make a statement of facts upon which the Applicant relied for its contention that jurisdiction rested with the Board. Counsel for the Company had no objection to this procedure, it being understood that on matters with which he could agree there would be no need to adduce evidence, but on matters which the Company contested or with which it disagreed, evidence could be adduced on its behalf and unless evidence was introduced to contradict matters in the statement of facts, these could be accepted. This substantially reduced the volume of evidence necessary and the position of both

counsel was of material assistance in placing the essential facts before the Board in a concise manner. Representatives of the Interveners took no part in the evidence or argument concerning jurisdiction.

In his statement counsel for the Applicant dealt with the duties and operations of five groups of employees of the Company as follows:

1. The plant extension group installs and makes major modifications to the following types of equipment in Ontario and Québec:

   (a) Traffic usage recorders which record the number of calls coming into various switching offices in Ontario and Québec.

   (b) Inter-toll dialing circuits for completing long distance calls; that is, these are circuits over which a customer may talk to another person in the same province or in another province.

   (c) Carrier equipment in central offices; that is, circuits designed to carry voice and data within a province or to another province.

   (d) Automatic number identification equipment used in direct dialing systems to record billings for long distance equipment.

   (e) Microwave equipment which forms part of a network connecting Ontario and Québec. This equipment carries voice data between various parts of Canada.

   (f) Switchboard equipment in central offices. Its purpose is to interconnect long distance calls and is used by operators who interconnect customer calls from all provinces.

   (g) Testboard equipment which is used to test circuits between provinces referred to above.

   (h) Power equipment located in central offices and is designed to run switching equipment.

   It was also stated that this group installs, engineers and makes major modifications to various kinds of electronic equipment in voice and data communication networks at Department of National Defence sites. This network connects the Department in various parts of Canada with NORAD headquarters in Colorado.

2. The engineering department is responsible for engineering and laying out specifications for original installations discussed above. In this department there are engineering assistants who write installation and work orders on major equipment manufactured by companies such as Northern Electric Company Limited and Canadian General Electric Company Limited. When this equipment is installed the engineering department will then work with those who have installed the equipment to perform acceptance or performance tests.

3. Toll technicians or central maintenance and repair group work on toll or carrier equipment connecting the two provinces; for example, on the line connecting New Liskeard, Ontario to Ville Marie, Québec, which is an electronic system enabling five telephone circuits to operate on a single pair of wires. These technicians replace defective parts on the system on a regular maintenance basis. They also perform system lineups to ensure the systems meets performance requirements from one point to another. This type of work is done, for example, on a periodic basis on the New Liskeard-Ville Marie Line.

4. Major repair group or linemen do major repair work, such as when a pole is broken or lines are down, including repairs on interprovincial lines such as that from New Liskeard to Ville Marie.

5. Cable splicers install and maintain cable systems in towns in Québec, such as Ville Marie, which enable the customers to be connected both provincially and interprovincially.

Counsel also stated there are a number of communications networks operated and maintained by employees of the Company which cross provincial boundaries. One example given was that of a data communications circuit from Cobalt to Lower Notch Hydro, both in Ontario, the circuit being accomplished by providing a radio system telephone from Cobalt to Ville Marie, Québec, the signal being amplified in Ville Marie and carried back into Ontario to Lower Notch. Some of the equipment used is towers in Ontario and Québec which are maintained by employees of the Company in both Ontario and Québec. Another example was what is known as Circuit—17, being a long distance circuit from Ville Marie to Noranda, both in Québec. The circuit is interconnected over carrier equipment on a line from Ville Marie to New Liskeard which is owned and maintained by the Company and is interconnected back to Noranda through Ontario Northland circuitry.

Following the statement by counsel for the Applicant, counsel for the Company stated on its behalf that he was prepared to agree with the general statement that Company employees do work in the Province of Québec for the Québec Company and that what was disagreed with was the implication involved in the statement rather than the statement itself. He said that he wished to elaborate on this through evidence and called the following employees of the Company:

L.B. Barnard — General Business Information Services — Personnel Manager.

R.J. Jutras — Plant Supervisor.

G.A. Thompson — Commercial Marketing Department Manager.

R.M. Gibbins — Chief Engineer.

M.J. Leveille — Personnel Officer.

The evidence was that the Company has no assets or operations outside the Province of Ontario. All work done by the Company in Québec or by the Québec Company in Ontario is charged back to the Québec Company or the Company respectively. While there is no formal arrangement in respect of these chargebacks, there are standards for some types of work that are common but a particular situation would require negotiations as to the charges between the two companies. These chargebacks cover all items of cost involved such as labour, materials, engineering layouts, travelling and living expenses, etc., and are carefully controlled. Books for each company are audited provincially and both provinces require all charges pertaining to each company to be recorded properly.

So far as defence installations and maintenance of equipment are concerned, the contracts pertaining to Québec installations are between the Federal Government and the Québec Company, and in Ontario between that Government and the Company. Where, for example, work is done by the Company in Québec, it is charged back to the Québec Company and reported as sub-contract labour to the Department of National Defence. Large installations may be done by the manufacturer of the equipment under contract to the Québec Company or the Company depending upon the province in which the defence site is located.

The plant extension group was stated to consist of ten employees of the Company and two of the Québec Company. In his examination Mr. Jutras explained the basis for interchangeability of employees of the two companies as follows:

"Q. . . . , would it be fair to say that when these people are working in Québec they are working under contract to Northern Québec Tel?

A. We loan them, in other words, to Québec and they pay us for them.

Q. Are there other people that you are aware of in your plant operation that work both in Ontario and Québec?

A. Yes; any one of the plant people that we have could work in either province depending on the workload, demand, sickness. We do spread them around. This is more for economic reasons than anything, and of course for service. We try to maintain our service by doing this."

In response to a question in cross-examination as to whether he writes the procedures for the two employees of the Québec Company as well as those for the Company, he replied: "Yes, we write them for the system."

With respect to the operations of the Engineering Department, Mr. Gibbins explained the matter in his examination as follows:

"Q. Mr. Gibbins, is your department involved in work in the Province of Québec?

A. Yes.

Q. Would you explain to the Board what work and how you became involved?

A. Essentially the engineering work for the two provinces and the two companies under discussion is centralized at Northern Telephone Limited head office in New Liskeard at the present time, with the exception of about five or six outside plant engineers stationed in the Province of Québec who were mentioned earlier and who are employees of Northern Québec Telephone Inc. The engineering is centralized in New Liskeard and is done for both companies but on a charge-back basis to the appropriate company."

There also was evidence that there are separate collective bargaining agreements between the Québec Company and its employees and between the Company and its employees and that the bargaining agent for employees of the Québec Company has been certified as such by the Québec Labour Relations Commission. So far as telephone rates are concerned for the Company, these are approved by the Ontario Telephone Services Commission and for the Québec Company by the Québec Public Service Board.

In argument, counsel for the Applicant and for the Company were agreed that for the Board to have jurisdiction in this matter the operations of the Company must be brought within the definition of "federal work, undertaking or business" in section 2(b) of the Canada Labour Code.[1] viz:

> "a railway, canal, telegraph or other work or undertaking connecting any province with any other or others of the provinces, or extending beyond the limits of a province;"

which is substantially a restatement of section 92(10) (a) of the British North America Act setting out the scope of exceptions within the exclusive legislative authority of the Parliament of Canada. Both counsel also relied basically on Northern Electric Co. Ltd. v. L.R.B. (Ont.), Communication Workers et al[2], a decision of Mr. Justice Lacourcière of the Ontario Supreme Court and the extensive jurisprudence referred to therein.

In his argument that the Board had jurisdiction, the basic submission of counsel for the Applicant was that the question is whether or not the undertaking is one that crosses provincial boundaries and in this respect that the highway of communication bridges the two provinces since the Company's employees maintain and repair on a regular basis lines connecting the provinces and the systems lineup testing involves operation of an inter-provincial communication system. He went on to state that the Company by virtue of its engineering department and plant extension facilities installed, modified and extended equipment in the two provinces that constituted the highway of communication and was enough to constitute a federal work. Finally, in his submission it was immaterial whether this was done for a federal or provincial company since part of its undertaking is to maintain and establish a highway of communication across provincial boundary lines.

In submitting that the Company's operations came within provincial jurisdiction, counsel for the Company emphasized that it dealt at arm's length in connection with work outside the Province of Ontario, that the bargaining agent of the employees of the Québec Company is certified provincially and that to bring its operations within the jurisdiction of the Board, the work of the Company in Québec must be not only an integral part of its works and undertakings but that such works were performed on behalf of a person falling within the jursidiction of the Board. He thus summed up his submission as being, first, that the work performed for the Québec Company could not be construed as an integral part of the Company's operation and, even if it was, it was not performed on behalf of a company coming within federal jurisdiction.

The record shows that in 1967 the former company, Northern Telephone Co. Limited, which embraced all employees in both Ontario and Québec, was in effect wound up and its Ontario assets acquired by the Company and Québec assets acquired by the Québec Company, the latter being a wholly-owned subsidiary of the former. Although these two new companies were established as separate entities, it appears that for practical purposes they are considered as one organization, with certain matters such as engineering services being centralized in the Company and operational employees being substantially interchangeable between the Company and the Québec Company as and when required. While all services performed by one company or its employees for the other company are charged back to the latter company, in the view of the Board this is not conclusive of the matter when the nature of the operations is considered.

Whether or not the Company's employees are engaged in doing work in Québec for the Québec Company, it appears clear that in the course of their operations they are involved not only in the installation, maintenance and repair of intraprovincial but also of interprovincial communications equipment. For example, the Company provides a long distance service to its customers through Ontario Northland Communications to points both within and outside the Province and there is an interconnecting line carrying telephone circuits between New Liskeard, Ontario, and Ville Marie, Québec. Much of the equipment referred to in the evidence, while utilized in local and intraprovincial communications, is also for purposes of interprovincial communications and necessarily is also an integral part of the latter. Also, the Company provides teletype service (TWX) connecting with other similar services offered by such companies as CN—CP Telecommunications.

In this respect the Board is of the view that the following statement of Lacourcière, J., in the Northern Electric case (supra) is appropriate to the present situation:

> "On a proper reading of the cases, it would appear that, once the work or undertaking extends extra-provincially in some aspects, the whole work falls under federal competence. The Privy Council for instance in the Bell Telephone case, supra, refused to break down that company's business into a local operation and a long distance operation: and similarly in the Radio case, supra between long distance transmission of radio waves and their reception. Viscount Dunedin in the latter

[1] R.S.C. 1970 c. L—1

[2] 1970 CLLC 14,016

case at p. 317 referred to the 'futility of trying to split what really is one undertaking into two'. The same reasoning was followed in the Victoria Cablevision case, supra. Similarly, in the railway and truck transport cases, the percentage of interprovincial transport cases, the percentage of interprovincial transport carried out was held immaterial so long as the company could be fairly treated as part of an interprovincial transport undertaking. Thus, in R. v. Cooksville Magistrate's Court, Ex parte Liquid Cargo Lines Ltd., 46 D.L.R. (2d) 700, it was held, as summarized in the headnote regarding a trucking business where only 1.6% of the loads hauled and 10% of total mileage were extra-provincial business is casual and unscheduled when it is clear that it provides extra-provincial service consistently whenever its customers apply for it.' The emphasis was placed on the consistency of the extra-provincial service offered. In the case at bar, system line-ups are done on a consistent and regular basis as required. In addition, the applicant holds itself out as being ready and willing to do maintenance work on any of the operating communications systems at any time.

There is also the element of the physical connection of the works, which are linked through the air waves and otherwise as effectively as if a wire connection, or a rail connection existed. . . ."

It is therefore the opinion of the Board that the business of the Company is a "fedral work, undertaking or business" within the meaning of the Canada Labour Code and that it has jurisdiction to proceed with consideration of the application on its merits.

In reaching its decision, the Board has considered the judgment in the Northern Electric case (supra) and the cases cited therein, together with the 1970—71 decision of the Québec Court of Appeal in Northern Electric Co. Ltd. v. The Labour Court et al, and decisions of the Québec Labour Relations Commission in Communication Workers of America, Local C—11 and Northern Québec Telephone Ltée in 1969, Communications Workers of America, Local C—11 and Telephone d'Harricana & Gatineau Limitée in 1962 and Communication Workers of America, Local 12 and Telephone Chibougamau, Ltée in 1963. Copies of the decisions of the Québec Court of Appeal and of the Québec Labour Relations Commission were provided to the Board by Counsel.

While at the commencement of the hearing the Board was of the view that the application as a whole, including the question of jurisdiction, should be dealth with, due to unforeseen circumstances it was not possible to proceed with the adjourned hearing at the December 1972 meeting of the Board. In view of the delay, the Board decided that it should proceed to deal with the question of jurisdiction and provide the parties with reasons for its decision.

Dated at Ottawa, January 5, 1973.

(Sgd.) J.J. Quinlan,
Vice-Chairman and Acting
Chairman for the Board.

Reasons for Judgment in Request for Review of Board's Decision Affecting

Messabec Limited — **Company**

and

Canadian Marine Officers' Union — **Union**

The Board consisted of A.H. Brown, Chairman, and E.R. Complin, J.A. D'Aoust, Donald MacDonald, Gérard Picard, R.C. Smith and W.T. Wilson, Members. The Judgment of the Board was delivered by the Chairman.

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1. The Union is a trade union within the meaning of Part V of the Canada Labour Code (Industrial Relations) and the Company is a shipping company which operates the vessel M/V Québec in the transport of cargo in eastern coastal waters and in inland waters in Canada. The vessel is operated by the Company also as a training ship for ships' officer cadets under a contract between the Company and the Department of Education of the Province of Québec.

2. The Union by application dated May 29, 1972, and received by the Board on June 9, 1972, applied to this Board to be certified as bargaining agent for a unit of employees of the Company consisting of all licensed engineers employed on the vessel M/V Québec excluding the chief engineer. The Company received due notice by registered letter from the Chief Executive Officer of the Board of this application for certification together with a copy of the application and a copy of the Board's Rules of Procedure. The Company's attention was specifically directed to the provisions thereof prescribing the time within which the Company could file a simple notice of intervention in opposition to the application if it so desired and the further time accorded for the filing of a reply to the application setting forth its grounds in opposition to the application and stating whether or not a hearing was desired by it on the application. The Company did not file either a notice of intervention or a reply with the Board within the period of time prescribed by the Board's rules of Procedure therefor. The time so prescribed expired on July 5, 1972. A follow-up letter was sent by the Board's Chief Executive Officer to the Company under date of July 13, 1972, advising that as no word had been received by the Board from the Company, it was assumed by the Board that the Company did not desire to intervene to contest the application. Its attention was drawn to Section 13 of the Board's Rules of Procedure which reads as follows:

> "13. Where upon an application or other proceedings before the Board, a party fails to give notice or to make reply within the time prescribed by these rules for doing so, that party is not entitled, except by leave of the Board, to any further notice of proceedings in the matter or to make further representations or to give further evidence to the Board in connection therewith".

No reply from the Company to this letter was received by the Board. The application for certification was considered by the Board at its meeting held on July 18, 1972. The Board found that a unit of employees of the Company consisting of all

licensed engineers employed aboard the vessel M/V Québec excluding the chief engineer, deck officers and unlicensed personnel is appropriate for collective bargaining. Based upon the report of the Board's investigating officer on the application following his check of the payroll records of the Company as regards its employees in the said bargaining unit as of the date of the application for certification and his discussions with Company's representatives in respect thereof and his check of the membership records of the Union with respect to the employees of the Company in the said bargaining unit and of payment by such employees of the union initiation and membership fees prescribed under the Union constitution as a condition of membership in the Union, the Board found that there were three employees in the said bargaining unit as of the date of the application, all of whom were members in good standing of the Union and directed that an order of certification issue certifying the Union as the bargaining agent for the unit of employees of the Company aboard the vessel M/V Québec which the Board found to be appropriate for collective bargaining. An order of certification was issued accordingly under date of July 25, 1972. The Company was notified of the Board's decision by letter from the Board's Chief Executive Officer dated July 25, 1972, enclosing a copy of the said order. By letter dated July 25, 1972, and received by the Board under date of July 27, 1972, and which apparently crossed the letter of the Board's Chief Executive Officer of July 25, 1972, the Company outlined the objections which it had to the application for certification and which it desired the Board to give effect to.

3. The Company has filed with the Board on November 27, 1972, an application dated November 24, 1972. requesting firstly to have the Board's decision of certification as aforesaid revised and revoked on account of alleged violations of the Act and on account of alleged essential formalities not having been followed in the certification proceedings due to the particular nature of the operations of the Company and secondly that the decision of certification be revoked on the ground that the Union does not now represent a majority of the employees in the bargaining unit for which it was certified.

The first grounds thus put forward by the Company cover matters which the Company was afforded a full opportunity to raise by way of the filing of an intervention and reply with the Board prior to the Board's disposition of the application on July 18, 1972. The Board is of opinion that the Company has not established a prima facie case to warrant the Board granting leave to file a reply at this time nor to review the order of certification on the grounds so advanced at this time.

Nevertheless in view of the allegations contained in the Company's application that the authorization of the engineers was obtained fraudulently under false pretences without initiation fees having been paid to it, the Board considers it as fitting to state that the Board had satisfied itself at the time of certification that each of the engineers in the bargaining unit at the time of the application for certification had paid the sum required pursuant to the provisions of the Union constitution by way of initiation fees and union dues to qualify for membership in the Union and had completed the requisite application for membership in the Union and was a member in good standing of the Union in accordance with the requirements of the Board. The Order of Certification issued by the Board under date of July 25, 1972, as it applies to the unit of engineers employed by the Company aboard the M/V Québec so found to be appropriate for collective bargaining includes all engineers other than the chief engineer so employed by the Company from time to time until such time as the order of certification is revoked. The certified bargaining unit does not include cadet trainees nor other personnel in training aboard the vessel.

The second ground advanced by the Company in its request for reconsideration and revocation of the order of certification, is based upon its claim that the Union does not now represent a majority of the employees in the unit for which it was certified. The Board may in the exercise of its discretion vested in it under Section 117 of Part V of the Canada Labour Code revoke an order of certification upon being satisfied that the certified bargaining agent no longer represents a majority of employees in the bargaining unit.

The Union as the certified bargaining agent for the employees of the Company in the unit covered by the present order of certification and the Company as their employer are required by the provisions of Part V of the Canada Labour Code to bargain with each other with a view to the conclusion of a collective agreement between them. The Board has held in a number of earlier applications for revocation of bargaining rights accorded by certification of a nature similar to the present application for revocation of such rights that a reasonable period of time of at least twelve months should be afforded to the certified bargaining agent and the employer of the employees in the bargaining unit to bargain with each other to this end and has not been prepared in the exercise of its discretion to act upon a premature application for decertification unless special circumstances have been advanced which in the opinion of the Board warrant earlier action in respect thereto. In the opinion of the Board no special circumstances have been advanced by the Company which would warrant the Board in acting further on the application for revocation to give effect thereto at this time and the application is rejected accordingly.

(Sgd.) A.H. Brown,
Chairman for the Board.

Dated at Ottawa, December 12, 1972.

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Hon. John Munro, Minister

Bernard Wilson, Deputy Minister

Report of Board of Conciliation and Investigation established to deal with dispute between:

Air Canada

and

Canadian Air Line Employees Association

(representing employees of the Air Canada Finance Branch, Winnipeg, Manitoba)

The Board was under the Chairmanship of J. S. Gunn of Winnipeg, appointed by the Minister of Labour in the absence of a joint recommendation from T. F. Hercus, of Winnipeg, and John Skoberg of Moose Jaw, who were previously appointed on the nomination of the company and union, respectively. The unanimous report was received by the Minister during May.

We submit herewith the unanimous report of the Board of Conciliation established . . . in connection with the above-referenced dispute.

The Conciliation Board was fully constituted on April 18, 1973 and met with the parties in joint session on April 18, 20, 21, 25, 26, 27, and May 5.

The Board met with the parties at joint and separate sessions in an effort to mediate the dispute. Submissions were filed with the Board and full opportunity was given for an exchange of views and opinions on the matters in dispute.

The Canadian Air Line Employees' Association, the bargaining agent in this dispute, was certified by the Canada Labour Relations Board on August 1, 1972 for a unit of employees of Air Canada comprising all employees in its Finance Branch in Canada excluding (a) persons who exercise management functions; (b) employees assigned to secretarial duties to persons who exercise management functions; (c) all classifications of employees in the Finance Branch at its headquarters at Montreal, Que.; (d) clerical staff in the Personnel and Administration Department therein; (e) designated Senior Clerk positions in the Cargo Section and the Passenger Section and the Central Files Section of the Revenue Accounting Department therein; and (f) the Senior Shift Flight Records Clerks in the Flight Performance Information Section of the Payrolls and Employee Records Department therein.

Following certification the parties commenced negotiation for terms and conditions of a first agreement. Meetings thereto commenced on November 20, 1972 and negotiations continued to December 21, 1972.

During January of 1973 the parties requested that the Canada Department of Labour appoint a Conciliation Officer to facilitate discussions between the parties. On February 12, 1973, Mr. A. E. Koppel, Conciliation Officer, Canada Department of Labour, Winnipeg, the appointee, convened meetings. Meetings under Mr. Koppel terminated on February 20 without significant progress having been made despite his earnest endeavours.

Articles of the new Agreement on which language was being constructed during these negotiations are given hereunder. For convenience sake the parties used an Article enumeration. This enumeration will continue for the purposes of this report.

1. Article 1 — Regulations, Savings Clause and Definitions
2. Article 2 — Union Recognition
3. Article 3 — Management Rights
4. Article 4 — Scope of Agreement
5. Article 5 — Rates of Pay
6. Article 6 — Hours of Work,
   — Meal and Rest Periods
7. Article 7 — Overtime and Recall
8. Article 8 — Relief Duties and Assignments
9. Article 9 — Probation
10. Article 10 — Seniority
11. Article 11 — Leave of Absence
12. Article 12 — Promotion and Transfer
13. Article 13 — Statutory Holidays
14. Article 14 — Vacations
15. Article 15 — Grievance Procedure — General
16. Article 16 — Discipline or Discharge Procedure
17. Article 17 — Arbitration
18. Article 18 — General Provisions
19. Article 19 — Check-off of Union Dues
20. Article 20 — Duration of Agreement

During direct negotiations agreement was reached on the wording for the following Articles: 3, 15, 16, 17, 18 and 19.

Hearing before the Board

It should be said that in front of the Board at its joint and separate sessions progress was made. However, in the latter stages of hearings the Board became extremely concerned over the entrenched position of the parties on the key seniority/qualification issues.

The Board intends to deal with the Articles remaining in dispute and, where possible, make recommendations as to the manner in which the issues may be resolved, bearing in mind the multitude of problems in the preparation of a first agreement and the decisions of the parties to delay discussion of other matters in dispute pending the resolution of the seniority/qualification issues of Articles 10 and 12.

Article 1 — Regulations, Savings Clause and Definitions

Agreement has been reached in good part on this article. Further definitions have yet to be decided upon by the parties.

Article 2 — Recognition

The Board's recommendation is that the company provide a letter of understanding, which will be subject to arbitration, restricting supervisors, except under certain conditions, from performing duties normally assigned regular full-time employees in the bargaining unit.

Article 4 — Scope of Agreement

The Finance Division comprises the following departments at Winnipeg: Disbursements, Payrolls and Employee Records, Personnel and Administration, Revenue Accounting and Treasury. These departments are staffed by approximately 400 employees falling within the scope of the bargaining unit.

The Board recommends that the parties give consideration to a reduced number of classifications based on similar job functions. For example, the Board has examined the classification structures

proposed by the parties and would suggest the following type of classification as a guideline:

(a) Accounting Clerks (Sr) 177*

(b) Accounting Clerks (Jr) 78*

(c) General Clerks (Sr) 94*

(d) General Clerks (Jr) 38*

(e) Clerk-Steno, Typist 31*

*Figures indicate the number of employees affected. These classification divisions were arrived at having in mind present levels of renumeration and giving due consideration to the total number of employees performing comparable duties.

Article 5 – Rates of Pay

Unfortunately the Board is unable to make any recommendations under this Article because the parties appeared to have agreed to a procedural arrangement of dealing with general contract language first and monetary items second. As a result no submissions were made to the Board. The Union indicated its willingness to make a submission on wages at an appropriate time. The Company indicated to the Board that it would respond.

The Board recommends that the parties give due consideration to wage rates paid to comparable accounting and clerical classifications.

Article 6 – Hours of Work, Meal and Rest Periods

The Board recommends:

(a) that the work-day consist of eight consecutive hours.

(b) that rest periods shall be scheduled in such a manner as to provide the benefits for which they are intended.

(c) that arrangements for introducing work and shift schedules be determined by the parties.

(d) that proposals for other sections of this Article be carefully examined in the light of the provisions of the Canada Labour Code (Part III – Labour Standards.)

Article 7 – Overtime and Recall

The parties are reasonably close to agreement on this Article but have yet to establish agreed to operating procedures.

Article 8 – Relief Duties and Assignments

The Board recommends that the terms and conditions of Article 8 be incorporated with Article 12.

Article 9 – Probation

The parties have mutually agreed to Article 9.01 through 9.04.

The Board recommends in respect to other issues in this Article that:

(a) an employee changing from one classification to another shall not be subject to serving a new probationary period.

(b) upon completion of the probationary period an employee hired in other than a casual capacity shall have the status of regular full-time employee.

The Board recognizes the need for employing casual staff during peak traffic and vacation periods but feels that this practice should not be abused.

Article 10 – Seniority

The parties recognize in general the desirability of retaining employees with longer service over employees of shorter service providing the employee with the longer service has the ability to perform the job in an adequate manner.

At issue is the Company proposal that seniority provisions, in cases of layoff be applied initially by classification and then to the most Junior Position in the Division. Opposed is the Union position that all employees shall exercise their full seniority rights on the seniority list in the event of being displaced due to staff reductions, providing they can demonstrate their qualification within a 30-day qualifying period.

The Company position is that employees affected by staff reduction may initially exercise their classification and then to the most Junior Position in the Division provided they are qualified to fill the position within a seven-day period.

In the Board's opinion encouragement should be given to employees, during the term of employment, to learn the functions of other positions throughout the Division. This should be done in such a manner as not to unduly interfere with the regular assigned duties of employees affected.

In connection with this Article the Board recommends the following:

1. That the parties agree upon one Division-wide seniority list.
2. That in establishing the initial seniority list for the scope of the agreement no employee, irrespective of term of service with the Company, shall be displaced from his position on the effective date of the signing of this agreement. Seniority of employees shall be based on the date of entry into the Finance Branch.
3. In the event of staff reductions 14 calendar days' notice shall be given to employees whose positions are being abolished.
4. Subsequent to the date of signing of this agreement employees may exercise seniority rights in the event of being displaced due to a reduction of staff providing they demonstrate their qualifications within a qualifying period.
5. An employee exercising his seniority rights in the event of staff reduction shall be given a period of time to demonstrate his ability and qualifications for a junior position, first in his classification then Division-wide. The decision of the Company shall be subject to grievance procedure. The length of the qualifying period shall be determined by the parties.
6. An employee who is on authorized leave of absence or absent due to sickness or accident or has been laid off due to a staff reduction and is recalled shall accrue seniority for the layoff period.
7. An employee with seniority rights who chooses not to "bump" and who is available for recall shall not lose his seniority rights and shall accrue seniority during layoff. The period of layoff in which seniority will continue to accrue shall be determined by the parties.

Article 12 – Promotions and Vacancies

The Board is of the opinion that the parties are reasonably close on the application of seniority/qualifications in the case of promotion and transfer. The difference between them is a matter of degree in the application of the provisions.

Article 13 – Statutory Holidays

The Board is of the opinion that the parties are in agreement on this Article apart from its application to employees working a

6 x 3 shift schedule. In this connection the parties should observe the provisions of the Canada Labour Code (Part III – Labour Standards.)

Article 14 – Vacations

The Board recommends that vacation pay credits and conditions be comparable with those presently in effect in other bargaining units in Air Canada.

Article 20 – Duration

The Board recommends that the effective date of the new agreement shall be the date of signing and the duration thereof 12 months or such longer period as the parties may agree.

The Board makes the following further recommendation with respect to:

(a) **Technological Change**

The Board recommends that the new agreement include an Article providing for the negotiation of problems arising from technological change. In this connection the parties should give attention to Sections 149, 150, 151, 152 and 153 of the Canada Labour Code (Part V – Industrial Relations.)

CONCLUSION

The Board sincerely hopes that the parties will be prepared to adopt this report and use its recommendations as the basis for further immediate direct negotiations.

Signed at Winnipeg, in Manitoba on the 9th day of May, 1973.

(Sgd) J.S. Gunn
Chairman

T.F. Hercus
Member

John Skoberg
Member

Report of Board of Conciliation and Investigation established to deal with dispute between:

Canadian National Hotels Limited (Nova Scotian Hotel)

and

Hotel and Restaurant Employees and Bartenders' International Union, Local 662

The Board was under the Chairmanship of A. M. MacIntosh, Q. C., of New Glasgow, N.S., appointed by the Minister of Labour on the joint recommendation of A. William Cox, Q.C., and Thomas Shiers, both of Halifax, who were previously appointed on the nomination of the company and union, respectively. Each member of the Board contributed separately to the report.

The report was received by the Minister during March.

The Board regrets that it was unable to effect agreement between the parties to the dispute. It further regrets that the efforts of both sides prior to their appearance before the Conciliation Board indicated a singular lack of good faith in their negotiations. It appears to the Board that they were both using the facilities of the Board to substitute for good hard bargaining. It is this Board's feeling that no Board of Conciliation should be faced with as many items as are placed before this Board for recommendation. However, on the credit side of the ledger the Board will have some comments to make later in this report as to the attitudes of both management and union.

It is not the Board's intention to go into detail as to why it is recommending or not recommanding any demande of the union or company. Both parties presented to the Board very comprehensive briefs and it is felt that all pros and cons of any particular argument are well set out in these briefs. The recommendations of the Board are as follows:

Article 3 – Definitions – The Board recommends no change.

Article 5 – Seniority

Section 5.3 to read as follows:

"An employee having 30 days of actual work or less accumulated service will be considered as on probation and shall hold no right under the promotion rules of this Agreement and if found unsuitable will not be retained in the service of the Company."

Section 5.7: No change recommended.

Section 5.17: No change recommended.

Article 6 – Bulleting and Filling Positions – no change recommded.

Article 7 – Hours of Service

Section 7.1 to read as follows:

"The normal work day shall consist of eight and the normal work week forty hours; wherever practicable two consecutive days off each week will be arranged."

Section 7.3: Wherever the figures 14 appear substitute the figures 12.

Section 7.6: No change recommended.

Section 7.7: No change recommended.

Article 8 – Overtime and Calls

Section 8.2: No change recommended.

Section 8.3: Delete the word "some".

Section 8.5: No change recommended.

Section 8.6: No change recommended.

New Section 8.7:

"When an employee is required to work two hours or more of overtime on his regular working day he will be provided with a free meal."

New Section 8.8: Not recommended.

Article 9 – Assigned Days off Duty – No change recommended.

Article 11 – Statutory Holidays – No change recommended.

Article 12 – Vacations – Reword Article to allow for three weeks vacation after eight years in the first year of this proposed agreement and three weeks after seven years in the second year of Agreement. No other changes in this Article are recommended.

Article 14 – Grievance Procedure

Section 14.1: Delete 60 and insert 30.

Article 15 – Arbitration – Redraft Article to allow for a single Arbitrator rather than a Board as presently written. No further changes recommended.

Article 16 – Training for Promotion – No change recommended.

Article 20 – Health and Welfare – It was obvious to the Board that there was a lack of undertanding of the provisions of the present Health and Welfare Plan and the Board suggests that the parties institute meetings in order that this matter may be gone into in some further detail. The Board further recommends that Section 20.1 read as follows:

"Health and Welfare benefits will be provided in accordance with the supplemental agreement governing non-operating employees benefit plan, as set forth in the master agreement dated May 14th, 1971.'

Article 21 – Part Time Article

New Section 21.5:

"Part time employees shall not be used to curtail or eliminate the normal work hours of full time employees."

Article 22 – Bereavement Leave

Section 22.1: Redraft Section to reduce the qualification period from one year to six months and increase the leave from three days to four days.

Article 24 – General

Section 24.4: No change necessary.

Section 24.5: No change necessary as the Board feels this Section as presently written should cover the problems raised by the Bargaining Agent in this regard.

Section 24.7: No change recommended, but the Board suggests that this should be a subject for further negotiation between the parties.

Section 24.8: The Board suggests that the parties work out the details of such a clause.

Section 24.9: This demand appears to have some merit but until the matter is further clarified the Board did not feel qualified to make any recommendations.

Article 26 – Termination of Agreement – The Board recommends an agreement of two years duration expiring September 30th, 1974.

Schedule "A" – The Union's request with regard to the inclusion of certain classifications under Schedule "A" of the Agreement is not a subject for determination by a Board of Conciliation but should be referred to the relevant Labour Relations Board.

Retroactivity – The Board recommends that the new Agreement be retroactive to the date of expiry of the last agreement.

Wages – The following recommendations are made with regard to a wage increase:

The Board has attempted to recommend a wage increase that is fair and reasonable to both parties. We accept the fact that the competitive position of the Hotel must not be impaired. On the other hand, it is obvious that wages of hotel employees generally are low in the face of a rising cost of living.

The following are recommendations, which are an attempt to adjust both factors properly.

We make no differentiation as between tradesmen and other non-gratuity classifications.

Both parties agree there should be some increment paid to non-gratuity employees as opposed to those eligible for gratuities

(a) **Gratuity Employees**

1 October, 1972 – 8%
1 October, 1973 – 7%

(b) **Non Gratuity Employees**

1 October, 1972 – 9%
1 October, 1973 – 8%

DATED at New Glasgow, in the County of Pictou, Province of Nova Scotia, this 10th day of March, A. D., 1973.

(Sgd) A.M. MacIntosh
Board Chairman

Report of A. William Cox, Q. C.

I have had the privilege of reading the report of the Chairman of the Board of Conciliation and Investigation in this matter and regret that I cannot agree with it. I am therefore submitting this minority report.

I feel that the following points are so important that they cannot be ignored and that they must be given great weight and consideration in arriving at any settlement of the differences between the parties.

1. The Hotel Nova Scotian is operating in a highly competitive environment that can be best described as the local hotel industry. The standards and comparisons which should be applied to wages, fringe benefits and working conditions are those of the local hotel industry in the Halifax Metropolitan Area.

2. When a study is made of the local hotel industry it is apparent that the Hotel Nova Scotian has an average wage level well in excess of that prevailing in the local hotel industry. Detailed examination of the respective collective agreements with other hotels in the area which were submitted to the Board indicates that the Hotel Nova Scotian is also well ahead in fringe benefits.

While it may be true that many years ago the Hotel Nova Scotian maintained a position of leadership in the local hotel

industry, this is no longer the case and there should be a levelling off of any wage differentials that exists. Any increases given to the employees of the Hotel Nova Scotian should take this in consideration.

Bearing these and other relevant factors in mind, I have come to the following conclusions and recommend that an agreement be entered into between the parties on the basis of the following.

Article 3 – Definitions – No change.

Article 5 – Seniority –

Section 5.3 to read as follows:

"An employee having 30 days of actual work or less accumulated service will be considered as on probation and shall hold no rights under the promotion rules of this Agreement and if found unsuitable will not be retained in the service of the Company."

Section 5.7: No change.

Section 5.17: No change.

Article 6 – Bulletining and Filling Positions – No change.

Article 7 – Hours of Service –

Section 7.1: No change.

Section 7.3: Wherever the figures "14" appear substitute the figures "12".

Section 7.6: No change.

Section 7.7: No change.

Article 8 – Overtime and Calls –

Section 8.2: No change.

Section 8.3: Delete the word "some" where it occurs before the word "preference".

Section 8.5: No change.

Section 8.6: No change.

New Section 8.7: The Union proposed that a new section be added as follows:

"When an employee is required to work overtime by the Company for two hours or more, he will be provided a meal besides his overtime pay."

I am not prepared to recommend this change but do recommend that a letter of understanding be exchanged between the parties providing that when an employee is required to work two hours or more on overtime on his regular working day that he be provided with a free meal. This should apply to working overtime on a work day after the shift but not before the shift and not for service on a rest day as such.

New Section 8.8: Not recommended.

Article 9 – Assigned Days off Duty – No change.

Article 11 – Statutory Holidays – No change.

Article 12 – Vacations – I recommend that the present provisions be amended to allow for three weeks vacation after eight years. No other changes in this Article are recommended.

Article 14 – Grievance Procedure –

Section 14.1: Delete "60" and insert "30".

Article 15 – Arbitration – The Article should be redrafted to provide for a single arbitrator rather than a board as presently provided for. No further changes are recommended in this Article.

Article 16 – Training for Promotion – No change.

Article 20 – Health and Welfare –

Section 2.1 should be revised to read as follows:

"Health and Welfare benefits will be provided in accordance with the supplemental agreement governing non-operating employees benefit plan, as set forth in the master agreement dated May 14th, 1971."

Article 21 – Part Time Article – No change.

Article 22 – Bereavement Leave –

Section 22.1: This should be redrafted to reduce the qualification period from one year to six months and increase the leave from three days to four days.

Article 24 – General

Section 24.4: No change.

Section 24.5: No change.

Section 24.7: The Union proposed a new section as follows:

"Fourteen rooms will be the maximum number alloted to a maid in each regular day."

This is not recommended.

Section 24.8: The Union proposed a new section as follows:

"A ten minute wash up time before punch out time will be permitted to each employee."

The Company pointed out during our hearings that all employees presently get adequate wash up time before going off shift. It is not recommended that this Article be included.

Section 24.9: The Union proposed a new section as follows:

"The Company is required to provide the Union with information on gratuity distributions which indicates

(a) the total amount of gratuity distributed;

(b) the employees who received portions thereof; and

(c) the specific amount received by each employee."

I am not prepared to recommend this section.

Article 26 – Termination of Agreement – I recommend an agreement of two years duration expiring September 30, 1974.

Schedule "A" – I agree with the Chairman that the Union's request in this regard is not a proper subject for determination by a Board of Conciliation and Investigation but should be dealt with by the relevant Labour Relations Board.

Retroactivity – I recommend that the new agreement be retroactive to the date of expiry of the last agreement.

Wages – I make the following recommendations with regard to wages. In this regard I refer back to my opening comments.

I agree with the Chairman that there should be no differentiation as between tradesmen and other non-gratuity classifications. I also agree that there should be some difference between the increases granted to gratuity employees and non-gratuity employees. I therefore recommend the following wage increases

(a) **Gratuity Employees**

1st October 1972	— 9 cents per hour across the board
1st October 1973	— 9 cents per hour across the board

(b) **Non-Gratuity Employees**

1st October 1972	— 6% increase across the board
1st Pctober 1973	— 6% increase across the board

DATED at Halifax, in the County of Halifax, Province of Nova Scotia. March 1973.

(Sgd) A. William Cox,
Company Nominee

Report of Thomas Shiers

I have received a copy of the Report of the Board Chairman and regretfully after long and careful consideration, I have come to the conclusion that I cannot support it.

While I do support some of the recommendations contained in the Report, I find it totally deficient in respect to wage increases. I also feel the Report should have recommended improvements in Vacations and Statutory Holidays.

Therefore in addition to the recommendations contained in the Report of the Chairman, I would recommend the following:

1. Wages be revised in accordance with the demands presented by the Union;
2. Fifteen (15) days vacation after seven (7) years service;

   Twenty (20) days vacation after fifteen (15) years service.
3. One additional Statutory Holiday.

Dated at Halifax, Nova Scotia, this fifteenth day of March 1973.

(Sgd.) Thomas Shiers
Member

Report of Board of Conciliation and Investigation established to deal with dispute between:

Northern Electric Company Limited (Installation Western Region)

and

Communications Workers of Canada

The Board was under the Chairmanship of R. G. Geddes of Toronto, appointed by the Minister of Labour on the joint recommendation of the other two members of the Board, S. E. Dinsdale, Q. C., of Toronto, nominee for the company, and William Walsh of Hamilton, nominee for the union. Each member of the Board contributed separately to the report which was received by the Minister during May.

The Conciliation Board met with the Representatives of the Parties at Toronto, Ontario on Tuesday, April 17, 1973, and Wednesday, April 18, 1973.

After a brief preliminary discussion, the Union began its presentation and read a rather straightforward brief setting out some eleven proposals, all of which involve increasing costs. The Union's Brief included supporting data such as wage comparisons for comparable work, figures on the Company's financial situation, cost-of-living comparisons, and so on. We will deal with the Union's proposals and make recommendations concerning them further along in this Report.

The Company Spokesman then proceeded to outline the Company's position and set out and explained the Company's proposals. The Company had no written submission and the Board Members as usual made notes and asked for and received further information whenever it was considered to be necessary.

Following the Company's presentation, the Board asked the Representatives of each of the Parties whether they wanted time for rebuttal of the other's case, and both Representatives did in fact make such rebuttals.

The Board then met in executive session and decided to see what could be done to mediate a settlement of the dispute. Mediation efforts by all three members continued intermittently late Tuesday afternoon and Wednesday morning, and eventually a majority of the Board decided that it would be pointless to undertake further mediation attempts. Mr. Dinsdale did not share this view, saying he had seen apparently hopeless industrial disputes settled by Conciliation Boards many times. He suggested that the Board should hold further meetings and make additional attempts to mediate the dispute. It was the decision of the Board that further meetings would result in nothing but additional delay and that the intransigent attitude of the Parties, coupled with the nature of the proposals, caused settlement of this dispute at the Board level to be virtually out of the question.

In order that the implications of the Parties' positions may be understood, it will be necessary to briefly sketch some of the background to the dispute and briefly describe the current situation.

The Bargaining Unit is made up of telephone installers who travel and work from Eastern Ontario to British Columbia.

The Company has bargained with this Union, or its predecessors, for more than twenty years, and the provisions of the Collective Agreement have, of course, been negotiated over these years.

Concurrent with this Conciliation, the Company is negotiating six agreements with another Union covering about 3,000 production and office workers. We were told by the Union Spokesman during the Hearings, that these negotiations have not been going well, and there is likely to be a strike of these Units in May. There are two additional Units of telephone workers, represented by CWC, whose agreements are open, who are described as "shop employees' and "office employees." All of the aforementioned Units fall within the jurisdiction of the Province of Ontario.

The Union applied for Conciliation on December 13, 1972. Prior to that date the Parties had met on fourteen occasions. Since then the Parties have met twice alone and subsequently met with the Conciliation Officer for six days. Some ancillary matters were settled, but none of the important issues were resolved, and no progress whatever was made on a series of proposals made by the Company, which proposals will be dealt with further along in this Report.

From the outset, the Union opposed the establishment of a Conciliation Board, contending that the Company did not intend to bargain towards settlement during its proceedings but rather intended to delay the time when the Union would be free to strike legally. The Union Spokesman stated that delay upsets their strategy and co-ordination with the other Union and is to their severe tactical disadvantage. The Union repeatedly argued that to prolong these proceedings to the disadvantage of one Party or the other is patently unfair.

Company Proposals

It was established that the number of installers in the Bargaining Unit has fallen during 1972 and 1973 from 945 to approximately 680.

The Company made a series of proposals which they said were needed if the present number of Bargaining Unit Employees is to be maintained or increased.

The Company Spokesman said that they have been unable to get a reasonable volume of work in recent years because their costs, and consequently their prices, have been too high. They said that telephone installation jobs that has traditionally been available to them on the Prairies and elsewhere had been to their competitors whose costs of labour are lower. The Union denied this, stating that there was less installation work available because of factors outside the control or influence of either the Company or the Union.

The Union Representative stated that the Company proposals, if made effective, would have a profoundly detrimental impact on the working conditions and incomes of the Bargaining Unit Employees. The proposals included:

a) Changes in seniority application that the Union claimed would reduce the employees' job security;

b) Changes in zoning which would (it was said) further reduce the employees' job security;

c) The cancellation of the installer's automatic progressions to the maximum rate of pay;

d) Reduction in installers' travel and living allowances, and others.

The Company Spokesman stated that while they would not insist on achieving all of their objectives, there would be no agreement signed until the Union compromised on some of them.

The Union Spokesmen flatly stated that they absolutely would not compromise on any of the Company proposals calling them "retrogressive" and "ridiculous". They said that they had won these benefits over many years of bargaining and would not discuss giving them up.

It would be most imprudent for the Board to recommend to the Union that they accept or reject any or all of the Company's proposals. It will be seen from the brief outline above that the effect of these proposals would be interlocked, inter-related and complex. Even if the Company had set them out in writing, the Members of the Board could not hope to understand their full ramifications well enough to make specific recommendations about them, and the Board makes none.

The Board can and does recommend, however, that the Union Committee give each of the Company's proposals serious, unemotional consideration, and accept the fact that the Company is making these proposals in good faith solely in order to regain its competitive position. The Company Representatives obviously would be aware when they devised their proposals that they would be anathema to the Union, and they must therefore have put them forward reluctantly only because they considered them necessary.

Union Proposals

As we have mentioned earlier, the Company only touched on the Union's submission at the time they were given an opportunity for rebuttal, preferring to discuss their own demands instead. We have from the Company, for instance, no wage comparisons, no wage offer, and no indication of their attitude toward the wage issue. Whereas, we have from the Union specific wage proposals and supporting data.

The Board will follow its usual practice of considering not only that which has properly been placed before it in evidence and argument, but also will consider those matters of common public knowledge which relate to the dispute. For instance, we have available through the research branches of the Federal and Provincial Labour Departments, full data on rates of pay for comparable work; the amounts of wage increases agreed to during 1972 and 1973 in the telephone and other industries. We can get information from the Financial Post Corporation Service about the Company's financial situation. There is full information available about the changes in the cost-of-living index during 1972, and to date in 1973, as well as projected 1974 figures. We will give all of these the weight they deserve.

In a document dated April 27, 1973, Mr. Walsh (who is out of the country until May 10, 1973) has given us his views about "what the recommendations of the Board ought to contain". He stated that "if the Chairman's report differs in any substantial manner from what follows then this is my minority report". The Report will in fact differ substantially from Mr. Walsh's recommendations, and his document will, as suggested, be filed as his Minority Report.

In addition to the research which must be undertaken to get all of the facts on both sides of the dispute, the Company Nominee has advanced and will undoubtedly continue to advance facts and argument energetically supporting the Company's point of view.

Dealing now with the Union's proposals:

Wages and Retroactivity

The Parties have agreed to a two-year agreement. The Union has proposed a "12% increase in the first year fully retroactive to November 1st, 1972 and 10% in the second year".

Our research shows:—

1. The wages of the Bargaining Unit Installers are neither high nor low when compared with the wages of other telephone installers in Canada, but are "medium high".
2. The Company's financial position is very good and is getting better, and no condition of their ability to pay was raised before the Board, and the Company is, therefore, able to pay higher rates than at present.
3. The cost-of-living rose 5.0% in 1972 and is expected to rise 5.7% in 1973. Concerning 1974, economists see little possibility of a reduced cost-of-living rate of increase unless a down turn in the economy occurs.
4. The average wage 1973 increase in all industry across Canada is currently running about 7.3%.
5. It was not denied that the productivity per man hour of the Bargaining Unit Installers increased significantly during the term of the last agreement.

Considering these factors and others, the Board recommends that the Company make an 8% wage increase effective from the beginning of the first pay period following November 1st, 1972.

The Conciliation Board recommends that the Company make effective on the date of the beginning of the first pay period following October 31st, 1973 an additional wage increase of 6%.

Cost-of-Living Allowance

The Union has proposed that the Company introduce a cost-of-living allowance into the new collective agreement applicable to Bargaining Unit Employees. The Union has proposed further that the cost-of-living allowance apply to employees receiving sick benefits. It was established that a cost-of-living allowance covers the employees of the "shop" employees and the related office employees.

The Board recommends that the Company introduce a cost-of-living allowance for Bargaining Unit Employees which is similar to the one covering "shop" employees, but adapted to the Installers' situation. The Board recommends that such cost-of-living allowance be made effective from July 1st, 1973.

Responsibility and In-Change Allowance

The Agreement presently provides for Responsibility and In-Charge Allowances ranging from 20c to 30c per hour, and it was established that these allowances have not been changed since 1967. The Board recommends that each such allowance be increased as follows:

32:03:01 change 20c per hour to 25c per hour

32:03:02 change 25c per hour to 30c per hour

32:04:01 change 20c per hour to 25c per hour

32:04:02 change 30c per hour to 40c per hour

It will be necessary to "edit" 32:06 and 32:07 to conform to this Report.

Health Insurance

The Union has proposed semi-private hospital coverage – the premiums to be paid by the Company. The Board does not recommend this coverage.

The Union has proposed a Dental Plan to be paid by the Company. The Board does not recommend this coverage.

The Union has proposed that the Company pay toward Health Plans on behalf of Pensioners and those on leave of absence pending pension. We have no doubt that these people are deserving of the proposed consideration, but since they are not in the Bargaining Unit, we do not feel free to make recommendations about them.

Life Insurance

The Union has proposed certain increases in the contributions made by the Company to employees' Life Insurance payments. The Board does not recommend such changes.

The Union has proposed that the cost per $1,000.00 of Life Insurance and Group Life be decreased. The Board is not competent to judge such matters and makes no recommendation on these proposals.

The Union proposes that Life Insurance and Group Life be covered by the Collective Agreement. The Board will deal with this aspect of the matter further along in the Report.

The Union proposes a wide range of improvements in the Pension, Sickness and Death Benefit provisions, and the Board does not recommend any change in these provisions.

The Union proposes that provisions covering Pension Benefits, Sickness and Accident Benefits and Death Benefits be covered in the Collective Agreement. It will be recalled that the Union has proposed that Life Insurance and Group Life plans also be covered by the agreement.

The fact is that the Company now bargains with the Union about the various plans during the periodic negotiations, and there is nothing to prevent the Union from making the plans a strike issue.

Because the plans cover thousands of Company employees in Canada, the Union would find that its bargaining influence on such matters would be relatively ineffectual. Because we feel it would not be helpful, the Board makes no recommendation concerning coverage in the Collective Agreement of Pension Benefits, Sickness & Accident Benefits and Death Benefits.

The Board has not recommended that the various plans be covered in the Agreement. The Board does, however, recommend that the Parties introduce language into their Collective Agreement providing for the right of an employee to grieve concerning Company decisions relating to all of the Insurance and Pension Plans and to process such grievances through arbitration. The Arbitrator would have to be authorized by the Agreement to interpret the language of the Plans and both he and the Union would have to be furnished with the current relevant document(s).

The Board recommends further that the Company furnish the Union with all Insurance and Pension documents on request a reasonable number of times during the currency of the Collective Agreement; (that is to say, all of the documents available to the Employees' Benefit Committee as well as the Health Insurance, Life Insurance and Group Life documents).

The provisions we have suggested undoubtedly would cause the Company some administrative problems and additional work. However, if the distrust and resentment among employees caused by present policies were diminished or eliminated, it would surely be worth the cost.

Vacations

The Union made a number of proposals for more generous vacation terms. The Board recommends that in the vacation year 1973 and thereafter, employees with twenty years of service be allowed five weeks of paid vacation. Under present terms, it takes twenty-five years of service to qualify for five weeks of paid vacation. The Board makes no other recommendation concerning Vacations with Pay.

Shorter Work Week

The Union has proposed that the number of hours worked in a two-week period be reduced from 80 hours (10 days) to 72 hours (9 days) with no reduction in gross pay. The Board does not recommend a reduction of the number of hours of work.

Bargaining Unit Work

The Union argued in effect that there are too many first-line supervisors and that they are frequently being assigned to do work which should properly be done only by Bargaining Unit Installers. The Union seeks to prevent supervisors from doing such work at job sites where more than five installers and supervisors (combined) are employed, except in cases of emergency, for instructional purposes, or where qualified Bargaining Unit employees are not available.

This is the sort of issue on which the Members of the Board are not qualified to make a recommendation, and the Board will not do so.

Utility Worker Classification and Seniority Lists

In the previous agreement the Company was successful in adding a classification "utility worker", and in diluting certain seniority arrangements to a limited extent. These changes applied to new employees and more have been hired since June 1st, 1971.

The Union is proposing to eliminate these "new" provisions and revert to the circumstances that pertained prior to May 19, 1971. The Company as we have stated earlier, has proposed to make additional, more far-reaching changes.

The Board made no recommendation on the Company proposals for such changes, and makes none on the Union's proposals.

Living and Travel Expense

The Union is proposing changes in the present living and travel expense provisions that would increase Company costs. The Company as we stated earlier, has made proposals to change these provisions in such a way as to reduce Company costs. The Board made no recommendation on the Company proposals, and makes none on the Union proposals.

Letters of Intent or Agreement

The Union has proposed that all existing letters of intent or agreements be reviewed and that the letters that are still relevant should be either renewed or incorporated in the Agreement.

Something is seriously amiss when an issue such as this is presented to a Conciliation Board. The Board knows very little about these letters and makes no recommendation concerning them.

Term of Agreement

The Board recommends an agreement which will terminate on October 31st, 1974.

(Sgd.) R.G. Geddes
Chairman

Toronto, Ontario
May, 1973

Report of William Walsh
Union Nominee

The following is my view on what the recommendations of the Board ought to contain as a basis for settlement of the dispute. If the Chairman's report differs in any substantial manner from what follows, then this is to be my minority report.

The Board was advised at the hearing that the Union requested a No-Board from the Minister while the Company requested a Board. The Union therefore offered the Company the first opportunity to make its presentations to the Board. However, the Company declined and wanted the Union to be first.

The Union agreed and presented a written brief, reading it, and pausing to reply to questions asked of them during the course of the reading. The Company followed with an oral presentation in which they put forward their own demands for changes in the Agreement and made no reply to the Union demands. After consideration of the situation in camera, the Board advised the parties that with their consent they each would now have full opportunity to rebut to the other's presentation. The parties agreed.

The Union replied to the Company's demands. However, the Company in its rebuttal again made only a superficial reply to the Union's demands and largely confined itself to renewing its arguments for its own demands.

There followed a session with the Union Committee by the Board Chairman and the undersigned. After which there was a session between the Company Committee with the Board Chairman and the Company nominee to the Board.

The purpose of these sessions was to ascertain whether there was any basis for the Board to seek to mediate the dispute. On review the following morning it became perfectly evident that there was no reason to expect any meaningful results from mediation efforts at this stage of proceedings, particularly in view of the Company's intransigent stand.

The Company insistently asked the Board to seek an extension of its life for an unspecified period and to postpone mediation efforts until some later date. I offered to make the next few days available for mediation, but this was not acceptable to the Company. The majority of the Board then determined that it ought to conclude its efforts with the parties and adjourn to consider its report.

It should be noted that the Union was charging that the Company was primarily interested in delay and was seeking to "use" the Board for this purpose. I must record my own view from the Board's meeting with the Company on the second day, that there is substance to the Union's contention. The Company's rationale as it advanced it to the Board in pressing for delay, has to do with its stage of collective bargaining with other unions. It largely substantiates the contention of the Union. The legislation imposes significant impediments to the Union's efforts to engage freely in collective bargaining. The Board should not be manipulated to impose more difficulties on the Union on behalf of the Company.

As to the issues in dispute, I would say at the outset that whereas the Union presented arguments and evidence to support its demands, the Company offered no countering evidence or argument against the Union except the general reference to "competition".

On the other hand the Company pressed its own demands in such critical areas as seniority, which would have resulted in drastic curtailment of employees' rights. The Union replied to these demands. It is clear that the major demands of the Company cannot be recommended by any Board which is seriously seeking to assist the parties to negotiate a settlement.

RECOMMENDATIONS

I would agree with one of the Company's requests which is that a committee be established consisting of two people from the Union and two people from the Company to study the existing commuting arrangements and to make recommendations for changes in the present commuting zones to bring them in line with current work locations and metropolitan travel habits. I agree with the formation of such a committee and so recommend.

Wages, Retroactivity and Term of Agreement

The work performed by the workers involved in this dispute is highly technical and requires considerable skills. There was no contradiction of the Union's contention that the skills required are at least as great as those required by plant employees of the various telephone companies from whom the Northern Electric Co. performs installation work.

I have examined the wage comparisons between the Northern Electric installers in this unit and the rates in the various telephone companies, including Northern Electric's parent company, Bell Canada. From this comparison, sizeable wage increases are required to bring the Northern Electric rates into line with the others.

The Union's data and contentions were not contradicted and on the basis of the above, I concur in the Union's wage proposal of a 12% increase in the first year and 10% in the second year.

I recommend that each wage rate be increased by 12% effective November 1st, 1972 and that full retroactivity be paid for all time since that date to the date of implementation of the new rates.

I recommend that each wage rate be increased by a further 10% on November 1st, 1973.

I recommend that the term of the new agreement be for two years, from November 1st, 1972 to October 31st, 1974.

Cost of Living Allowance

With the steep increases in the cost of living, protection of purchasing power is of extreme importance. Indeed, the evidence before this Board was that this Company has recognized this principle and agreed to Cost of Living Allowance clauses in several Collective Agreements with this Union and other unions covering workers in other units of the Company.

I recommend a Cost of Living Allowance of 1c per hour for each .4 change in the Consumer Price Index (1961 base), with October 1972 as the base month and adjustments to take place quarterly based on the Consumer Price Index change during the quarterly period. I further recommend that the first adjustment should take place in the first pay period following ratification of the Agreement and it should cover all the quarterly changes in the CPI since October 1972.

Responsibility and In-Charge Allowance

I recommend a 25% increase in these allowances to compensate for the inflationary effects since they were last increased.

This would result in the following new allowance:

Old Allowance	Increase	New Allowance
20c	5c	25c
25c	6c	31c
30c	8c	38c

Health Insurance

I recommend that a dental plan (Blue Cross Plan 7) be introduced into this unit as soon as practicable after ratification. I further recommend that initially the Company pay 50% of the premium costs and the employees pay 50%, with the Company absorbing the full cost commencing in November, 1973.

The Union proposed that the Company pay the full cost for pensioners and employees on leave of absence prior to pension for the same health insurance coverage as paid for regular employees. I concur in this approach and so recommend.

Life Insurance

(a) There is no justification for excluding life insurance benefits from the Collective Agreement.

(b) I have examined the submissions made to the Board on life insurance premiums and recommend that the premium costs be reduced to the same level as in the parent company, Bell Canada. Accordingly I recommend that the premiums paid by employees under Part I be reduced from 50c to 40c per $1,000 of insurance, and that Part II premiums be reduced to 15c per $1,000 of insurance.

Pensions, Sickness and Death Benefits

(a) I recommend that pension benefits, sickness and accident benefits and death benefits be spelled out in the Collective Agreement.

(b) The Board did not have the benefit of comprehensive and detailed presentations with regard to the complex field of pensions. I am therefore reluctant to make any specific recommendations, even though I am sympathetic with the proposed improvements suggested by the Union and feel that perhaps many of them are required. In the circumstances I recommend that, if the parties themselves are unable to come to any agreement on pension improvements in this round of negotiations, they establish a joint committee to study the matter with a view to implementing improvements at the earliest possible date.

Pensions

I recommend 3 weeks after 5 years service, 4 weeks after 15 years service, 5 weeks after 20 years service and 6 weeks after 25 years service.

Bargaining Unit Work

Judging from the presentations made to the Board, there is a major problem existing in this unit with supervisors performing bargaining unit work.

The Board was advised that, during the course of negotiations the Union had modified its position to the point where they proposed that "Supervisors shall not perform any production work except in cases of emergency, for instructional purposes, or where qualified employees are not available in the bargaining unit. However, this limitation would not apply at job locations where the total of installers and supervisors did not exceed five." In my opinion this proposal forms a good basis for settling this matter and I so recommend.

Utility Worker Classification and Seniority Lists

The Union has proposed to remove from the Agreement the utility worker classification and the several seniority groupings which were added during the last round of negotiations. This would result in one unit-wide seniority group and one class of employee.

Conversely, the Company in its verbal presentation to the Board made proposals to further expand on these provisions by deleting certain rights of utility workers and by a drastic breakdown of seniority groups into territorial zones for lay-off and recall purposes.

The Union indignantly rejected this Company position and argued strongly against it.

It seems evident from the information provided to the Board that there has been very limited experience during the term of the past Agreement with the utility worker provisions. Also, there has been no use made to date of the additional seniority groupings for installers.

Accordingly, I would recommend to the parties that they live with the present clauses for the term of another Agreement so that they will have a better opportunity to experience the result of the accommodation reached in the previous settlement.

Travel and Transfer Expense

(a) **Per Diem Expense**

The Union has proposed to increase the present per diem allowance by two dollars per day – from $9 to $11 and from $10 to $12. The jusitification for these increases is a 17.2% rise in the Housing Price Index and the Food Price Index since the last increases were made.

It is my understanding that this is not a mandatory per diem, but employees are allowed to choose to take this allowance or to take actual reasonable cost of hotel/motel accommodation and restaurant meals. On that basis I recommend that the present arrangement be continued.

(b) **Laundry Expense**

The Union proposed that laundry allowance be increased from $3.50 per week to $5.00. On the basis of the increase in these costs of over 20%, I recommend an increase of 75c to $4.25 per week.

(c) **Meals on Transfer**

The Union has proposed that the meals on transfer be $1.75 breakfast, $2.25 lunch and $4.00 supper. The Board was advised that the Company has agreed to the $4.00 supper. From my own experience, the $1.75 breakfast and $2.25 lunch are fully justified and I so recommend.

(d) **Car Transfer Over 1,000 Miles**

(i) I recommend that the minimum paid mileage on "over 1,000 mile" personal car transfer shall be 1,000 miles.

(ii) I recommend that the reporting on "over 1,000 mile" personal car transfers shall be the scheduled arrival time of the ground common carrier or the commencement of the third working day, whichever is later.

Implementation of these two recommendations would result in the correction of two inequities at little or no cost to the Company.

I trust the parties will renew negotiations in an effort to find a solution to their serious differences.

(Sgd.) Wm. Walsh

April 25, 1973

Report of S. E. Dinsdale, Q.C., Company Nominee

I have had the opportunity of reading the report of the Chairman and regret that I am unable to concur in it. It is my respectful view that this matter required and deserved more mediation effort than was given to it by the Board of Conciliation. My colleagues may be correct in their assessment that further mediation would not have brought about an agreement but there can be no doubt that had greater efforts been expended, the Members of the Board and the parties themselves, would have acquired a better understanding of the issues, and indeed the Board might have been helpful in resolving the dispute. As the matter stands I do not feel that I am qualified to make recommendations on the matters referred to the Board. Mr. Walsh, in his report has set forth a list of detailed recommendations adopting in most cases the extreme position of the Union. It would be a useless exercise for me to report to the same procedure, adopting the Company's position in all cases, and I decline to do so.

There are serious problems confronting the parties. As stated in Mr. Geddes' report, the number of persons in the Bargaining Unit has decreased during 1972 and 1973 from 945 persons to approximately 680. I am convinced of the Company's sincerity in urging that steps be taken to reduce overhead costs for travel expenses and to streamline layoff procedures, to permit the Company to become competitive and restore its position in the market. It appears that the Union representatives are burying their heads in the sand in refusing to face up to the problems which have a profound effect on the job security of the Union's members.

In his report, the Chairman has recommended the introduction of a cost of living clause in addition to substantial wage increases. This justification for the recommended wage increases is based to a large degree on increases in the cost of living in 1972, and expected increases in the cost of living in 1973. In my view, these increases in cost of living may be used to justify a wage increase or a cost of living escalation clause but not both.

The Chairman's Award recommends a change in the vacation plan to give five weeks after twenty (20) years' service, instead of after twenty-five (25) years as provided in the present agreement. Such a generous program is ahead of industry vacation plans in general, and is not supported by statistical data.

(Sgd.) S. E. Dinsdale,

Report of Board of Conciliation and Investigation established to deal with dispute between:

British Columbia Telephone Company

and

Federation of Telephone Workers of British Columbia,

Traffic, Plant and Clerical Divisions

The Board was under the Chairmanship of Hugh G. Ladner of Vancouver, B.C., appointed by the Minister of Labour on the joint recommendation of G. S. Cumming and D. E. McTaggart, both of Vancouver, nominees of the company and union, respectively.

The majority report, which under the Canada Labour Code (Part V — Industrial Relations) is the report of the Board, was made by the Chairman and Mr. McTaggart. A minority report was submitted by Mr. Cumming.

The report was received by the Minister during May.

The Board held hearings at the City of Vancouver, Province of British Columbia on the 23rd, 24th, and 28th days of February and the 1st, 2nd, 3rd, 9th, 10th, and 12th days of March, 1973. The expired Collective Agreement (hereinafter referred to as the "last Agreement") between the parties is divided into four parts. The first part, known as the Master Agreement, contains provisions applicable to all of the Traffic, Plant and Clerical divisions. There is then one part for each of those three divisions.

The case as presented to us by the parties followed the same format.

The matters in dispute may be set out as follows:

Master Agreement: Jurisdiction, Annual vacations, Maintenance of membership, Seniority, Contracting Out, Grievances — Arbitration, Picketing, Headquarters, Pension, Wages, Duration, Retroactivity;

Traffic: Shift and position differentials;

Plant: Job posting procedure, Central Office Frameman-Routiner, Analyst, Hours of work — Technicians;

Clerical: Hours of work, Job classification and job evaluation, Headquarters (see under Master), Education, Differentials, Leaves of absence, Meal allowances, Christmas and New Years Eves worked, Holidays worked, Salesmen, Draftsman B and Home Consultants, Jurisdiction and wages.

Jurisdiction

We heard a great deal of evidence concerning this most important issue but it nonetheless became clear, and the parties agreed, that we could not hope to finally resolve this problem in these proceedings.

The problem basically arises because of a long outdated Certificate of Bargaining Authority and the apparent lack of appropriate machinery to update it as becomes necessary from time to time.

The Certificate of Bargaining Authority provides that the bargaining unit will comprise "all employees of the Company, save and except" those employed in certain specified classifications. The parties have attempted to resolve this problem by Article 1 of the last Agreement which provides that the "Agreement covers all employees coming within" certain specified classifications.

The description of the bargaining unit has thereby in effect reversed itself in that the Certificate of Bargaining Authority provides that everybody is within the bargaining unit except certain designated classifications, whereas the last Agreement provides that only the classifications specified in the Agreement are within the bargaining unit.

The Union feels that there are many management positions which, because of the responsibilities involved, should be included in the bargaining unit. No assistance concerning this problem is gained from the Certificate of Bargaining Authority because it is so long outdated. The Union attempted to resolve the problem by making an unsuccessful application to the Canada Labour Relations Board, but felt it was frustrated because of some technical objections raised which it does not feel can be cured except by consent of the Company.

While we cannot make any recommendation to finally resolve the problem, but because we recognize its importance, we feel that we should recommend what machinery the parties ought to adopt to resolve it.

We therefore recommend that the parties agree to adopt the following procedure:

1. They immediately establish a schedule of regular meetings in order to discuss the problem and freely exchange information with a view to reaching an agreement.

2. If the parties have not reached an agreement by November 1st, 1973, they avail themselves of the services of an officer of the Department of Labour (and we invite the Department Labour to make the services of an officer available) to investigate all of the circumstances giving rise to this problem, to talk to the incumbents in the positions in dispute in an effort to ascertain the nature of their functions, and to assist the parties in coming to an agreement.

3. If and when the parties come to an agreement they make a joint application to the Canada Labour Relations Board for appropriate amendments to the Certificate of Bargaining Authority.

4. If the parties are unable to agree upon a joint application by January 1st, 1974, they should refer the matter to a single arbitrator or, if they cannot agree upon an arbitrator then to an arbitration board, upon the understanding that a joint application will be made to the Canada Labour Relations Board to amend the Certificate of Bargaining Authority in accordance with the award of the arbitrator or arbitration board. The arbitrator or board should deliver an Award by March 1st, 1974 or such further time as the parties shall agree.

The dates in the above recommendations are recommended on the assumption that they are accepted reasonably soon after they are made.

Vacations

The Union sought more liberal annual vacation allowances, the posting of vacation schedules, a conversion of weeks into days, and more liberal "banking" provisions.

We recommend that paragraphs 4, 5, 6 and 7 of Article 12 of the current agreement be deleted and the following substituted therefor:

> "4. – Ten (10) days annual vacation with pay shall be awarded a regular full-time employee who has completed one year of service from May 1st.
>
> 5. – Fifteen (15) days vacation with pay shall be awarded a regular full-time employee in the year he acquires four years of service as recorded in the Company's records. Thereafter, he shall be awarded fifteen (15) days vacation annually.
>
> 6. – Twenty (20) days vacation with pay shall be awarded a regular full-time employee in the year he acquired fourteen years of service as recorded in the Company's records. Thereafter, he shall be awarded twenty days vacation annually.
>
> 7. – Twenty-five (25) days vacation with pay shall be awarded a regular full-time employee in the year he acquired twenty-two years of service as recorded in the Company's records. Thereafter, he shall be awarded twenty-five days vacation annually.
>
> 7A. – Employees entitled to fifteen days vacation shall be permitted to "bank" the last five days vacation each year up to a maximum of twenty days. The "banked" time shall be paid for at the employees rate of pay in effect at the time of taking such "banked" vacation."
>
> We recommend that the vacation schedule be posted.

Maintenance of Membership

The current Collective Agreement provides for a modified Rand formula. The Union seeks a Union Shop provision.

We recommend no change.

Seniority

The current Company policy is that if a person has been laid off and is rehired within one year his seniority will immediately "bridge." If he is laid off and rehired after one year his seniority is "bridged" after a further one year's service. However, if an employee voluntarily terminates, his seniority will not be "bridged" until he has served a further ten years.

The Union seeks to have the Company's current policy included as a provision in the Collective Agreement with some alterations to provide for "bridging" of all seniority after one year's absence.

We recommend that the current Company policy be included in the Collective Agreement but amended to provide that an employee covered by the last Agreement who has voluntarily terminated will have his seniority "bridged" after serving a further five years instead of ten.

Contracting Out

The last Agreement provides that the Company may contract out certain specified kinds of work as of right and that any other

kind of work cannot be contracted out without negotiation with the Union, and in any event no work shall be let except to "an available recognized union firm whose work is satisfactory."

The Union sought to limit the work the Company can contract out as of right and the Company wanted a more liberal provision and particularly the deletion of the above quoted words.

It became apparent during the hearing that the right of the Company to contract out has far reaching ramifications both to the Company and to the Union and it was also clear that the full extent of those had not been fully explored and certainly were not made fully clear to us. We have great reluctance in making a recommendation, the consequences of which are not clear.

We therefore make no recommendation concerning this issue except that the parties should discuss it further, perhaps under the auspices of an independent third party. If the problem remains unresolved at the expiration of the agreement, the parties should be prepared to call extensive evidence concerning it.

Grievances

The Company proposed that time limits be established for the taking of each step in the grievance procedure to ensure that grievances be handled expeditiously.

The Union resists the suggestion, it being concerned about being barred from processing an otherwise legitimate grievance because the prescription period has expired.

We think that the inclusion of some time limitations would be of benefit to both parties although it may not be necessary for the first step.

We recommend that Appendix 1 be adopted in place of the existing Article 7.

Arbitration

This issue was not raised by either of the parties and would not seem to have been a source of problems in the past. However, we are concerned that the arbitration provision, being Article 8 of the last Agreement, does not, on its strict interpretation, do everything that the parties seem to think it does. In addition it may not comply with Section 125 of the Canada Labour Code. We, therefore, recommend that the parties give consideration to an appropriate revision of this provision.

Picketing

The Company sought to have the second paragraph of Section 4 of Article 24 deleted because it feels that the Union is not making any real effort to obtain clearance for bargaining unit employees to cross a picket line established by another union. It, therefore, wants the right to require bargaining unit employees to cross such lines but says it will not do so unless it has obtained clearance from the "affected union."

It became clear from the evidence that the Company has not in the past made any real attempt to obtain clearance from an "affected union." It is our opinion that had the Company obtained such clearance it may have had a good case to take to grievance upon the basis that the Union had not made "every effort to obtain clearance from the affected union."

It became equally clear that the Union had not made reasonable efforts to obtain clearance.

It is our opinion that neither party has made a real effort to resolve the problems the Company feels have arisen and that the existing provision could work. We therefore made no recommendation concerning a change to the agreement. However, we do recommend that the Union make every effort to comply with its obligations under the existing provision and, at the same time, the Company ought to make every effort to obtain clearance from the "affected union."

We are also concerned about who, on behalf of the Union, is going to obtain the clearance. There seems to have been a problem about delay and that the Company was unable to communicate with the General Secretary who would not seem to have an appointee as the current provision anticipates. We therefore recommend that an appointee be designated or the parties negotiate a change to resolve this problem.

Headquarters

We received a submission from the Company that an amendment be made deleting the parenthesized words in Section 3 of Article 15; and also a submission from the Clerical Division relating to employees assigned to a location other than their normal work location. The Clerical Division suggested an amendment to the Appendix relating to that division.

We recommend that the parenthesized words in Section 3 of Article 15 be deleted and that the following be substituted therefor: "(adjacent, except in the City of Vancouver, to a terminal of normal transportation)."

It seems to us that the problem which concerns the Clerical Division arises because the Board and Lodging Chart is out of date. We refer to an example given in evidence of the employee who is temporarily transferred within the Lakeview area from the New Westminster office to the Whalley office, or vice versa. It is our recommendation that the parties review the Board and Lodging Chart with a view to bringing it up to date to resolve this and similar problems.

Pensions

We heard days of evidence and argument regarding the Union's demand for improved pension benefits and the reasons for the Company's resistance to those demands.

The existing pension plan may, in a general sense, be described as a one per cent non-contributory plan based upon average pay of the last five years or the highest five years.

In its initial proposal the Union sought to have the plan extended and benefits based upon a two per cent formula with many improvements in other benefits and easier eligibility. It also sought to have all changes in the plan be made effective retroactively and it stated that this was a matter of most serious concern because it is becoming increasingly concerned about the effects of technological advancement and the ability of older employees to maintain the increased pace of work required and to adapt to highly technical changes. It was adamant in its position that it would not consider a contributory plan.

The Company's opposition was mainly founded upon the costs involved, and the fact that it already has one of the best non-contributory pension plans available, but it also became evident that there were philosophical differences between the Company and the Union which focused upon whether the plan should be contributory or non-contributory.

To counter the Company's objections about cost the Union then submitted an alternative proposal which was to divide the existing plan between that part attributable to management and that part attributable to bargaining unit employees, and that the Union would take over that part designated for bargaining unit employees and administer it completely itself. This proposal was contingent upon the Company increasing its current contributions to the pension fund by an additional six per cent of payroll.

The Company answered this proposal as follows:

1. The Union could not provide the benefits desired without the pension fund ultimately requiring further funding for which the Union would be looking to the Company to provide,

2. The Company could not afford to increase its contributions by an additional six per cent of payroll, and

3. The Company was concerned about its obligations to past service employees.

It became abundantly clear throughout the course of the evidence that the present non-contributory plan is in fact one of the best available anywhere and that almost the only plans that supported better benefits were contributory plans.

However, the Union says an additional contribution by the Company to pensions should simply be regarded as part of the wage package.

While that may be so, it seems to us to be a little too simplistic to put it on that basis because, while the Union may be prepared to accept less for the wage end of the package for the sake of an additional contribution towards pension, it would be naive to suggest that that would continue to be the case in future years or that it would accept a cut-back at some time in the future in the Company's contribution to pension. Therefore, it seems to us that while one might look to the Company for some improvements in its contribution to the pension funding, the bargaining unit employees should also consider making some contribution of their own.

For these reasons we were pleased to note during the negotiations that followed the conclusion of the hearing before the Board, that the Union was prepared to consider some form of contributory scheme as a further aspect to its earlier proposal that the current plan be split. We regret that those negotiations with the Company broke down and no agreement was reached.

The Union offered to contribute to a pension plan, one per cent of wages in 1973 and two per cent in 1974. However the Company was unable to agree to commit its current contribution to the pension fund of 5.67 per cent of payroll to the plan during the life of the Agreement although it was prepared to increase the benefits payable from a one per cent formula to a 1.1 per cent formula — an increase in benefits of ten per cent.

The Union was also concerned about how the current plan is administered as well as its language.

The current plan is administered by a Benefits Committee upon which the Union has no representation and upon which, under its first proposal, it wanted equal representation with the Company and, in any event, the removal of a great deal of the discretionary powers that the Benefits Committee and the Company have.

There is no doubt that a great deal of the wording in the current plan is inappropriate and archaic and requires change, and that most of the areas of discretion would seem to be unnecessary.

We recommend:

1. (a) The Company increase the benefits payable under its pension plan to a "1.1 per cent formula" contingent upon the Union setting up its own pension plan requiring all employees of the bargaining unit to contribute one per cent of their wages to it in 1973 and two per cent in 1974.

   (b) With respect to those employees in the bargaining unit who attained 50 years of age prior to January 1, 1973 the Company will provide such additional funding as is necessary as set out in paragraph (c) below to provide full 1.1 per cent benefits for a minimum of fifteen years.

   (c) With respect to those employees in the bargaining unit who attained 50 years of age prior to January 1, 1973, they will be treated insofar as pension benefits are concerned as if they had attained their fiftieth year in 1973. In effect this would result in a contribution by the Company on behalf of those employees who reach their fiftieth birthday before January 1st, 1973 and who therefore do not have fifteen years of service life left ahead of them during which they could with contributions after January 1st, 1973 build their pension benefits to an adequate level. If that person works to age 65 he will be treated as if he had put in fifteen years service at the 1.1 per cent level. Putting it another way, for a 51 year old employee, the Company would pay the difference between one per cent and 1.1 per cent contributions for one year, and for a 64 year old employee the Company would pay like contributions for fourteen years.

   (d) The Company agree to maintain its current contribution to its pension fund of 5.67 per cent of payroll.

2. The Company establish a Pension Trust Fund Committee for the management of its pension fund, at all meetings of which the Union will be entitled to have one observer present.

3. The Union to have equal representation with the Company on the Benefits Committee but with the joint designation of an umpire to resolve decisions upon which there is an equality of votes.

4. The Company to have equal representation with the Union upon a Board of Trustees administering the Union's pension fund but with the Chairman to be appointed by the Union and who shall have a casting vote.

5. The provisions of the Company's plan be altered to provide the following:

   (a) Term of employment to include all service with the Company, all service with the Union, all approved leaves of absence, all periods of short term disability, and all temporary lay-offs of up to six months.

   (b) Delete a great many of the discretionary provisions in the current plan.

   (c) Provide that the average annual pay shall be the average pay in the highest five years.

   (d) Future employee contributions including those over and above required contributions are to be deposited in the pension trust fund and credited with interest at the rate of investment earnings achieved by the assets of the fund.

   (e) In the event of death, resignation or termination before retirement, an employee should be entitled to the return of his contributions together with interest thereon at the rate of investment earnings achieved by the assets of the fund.

Wages

We recommend that all employees in the bargaining unit in the Traffic Division receive, before the application of the general wage increase hereinafter recommended, a ten cent per hour across-the-board increase effective upon the signing of the Agreement and a further ten cents per hour on January 1st, 1974. We further recommend that effective January 1st, 1973 the wage rates for all bargaining unit employees be increased by eight per cent over those prevailing in 1972, and that effective January 1st, 1974 the wage rates for those employees be increased by a further nine per cent based upon the wage rates prevailing in 1972.

Duration

The parties have agreed to an agreement of two years duration from January 1st, 1973 and we so recommend.

Retroactivity

We recommend that the provisions of the agreement relating to wages and differentials be effective January 1st, 1973 and all other changes be effective upon the signing of the new agreement.

All retroactive wages and differentials should be paid to employees who have ceased employment with the Company since January 1st, 1973 as well as all employees still employed.

Traffic: Position and Shift Differentials

Substantial increases were asked for regarding traffic differentials and we understand there is some element of "catch-up" in the proposal. However, we have no evidence whatever in support of a "catch-up" argument.

It is our view that there should be some uniformity between the three divisions for the shift differentials for the evening and night shifts. We have also attempted to bring some consistency between those differentials and others but this is difficult because there appears to be little rationale to the current rates and the spreads between them. We do not pretend that out recommendation has any greater rationale except that it does attempt to bring some consistency to the shift differentials in Traffic with the shift differentials in the other two divisions.

We therefore recommend the following differential rates:

1. **Position Differentials**	**Proposed Rate**
Supervisors and clerks	
1st Year	$1.75
2nd Year	2.50
3rd Year	3.25
Senior Operators	1.50
Service Observers	1.75

2. **Shift Differentials**	
Sr. Operator or Supervisor in charge	1.50
Clerk in charge	.75
Night shift	1.75
Broken shift ending	
– before 8:00 p.m.	1.50
– at 8:00 p,m. or later	1.75
Late shift ending	
– after 9:00 p.m.	1.50
Service Observer used as Teacher	1.00
Teacher (See Article 1, Paragraph (c)	3.25

Job Posting Procedure

We received submissions regarding the job posting procedure for both the Plant and Clerical Divisions.

An agreement has been reached with respect to the provision concerning the Plant Division which is found attached as Appendix 2.

The parties have also agreed to a provision relating to the Clerical Division which is found attached as Appendix 3.

We further recommend that the following be added to the provision for the Clerical Division:

> "When a temporary position is changed to a regular position, the job shall be posted. When a regular part-time position is to be changed to a regular position the Company shall first consult with the Federation about whether the job should be posted before filling it."

Central Office Frameman-Routiner

The Company proposed the creation of a new position to be added as Wage Group 5 and to be known as the "central office frameman-routiner." The proposal is contained in Appendix 4.

The evidence indicated that the central office maintenanceman is quite a well trained employee but is required to perform some elementary tasks that could adequately be performed by someone with fewer qualifications. The essence of the Company proposal is that a frameman perform some of the functions now being performed by central office maintenancemen and that he be designated as a central office frameman-routiner. He would initially be paid more than a frameman but would reach his top rate after 36 months and thereafter would receive less than a frameman who had served the same time.

The evidence indicated that there are now 386 central office maintenancemen of whom 136 would be framemen-routiners. The proposal would only be carried out in the Coastal Division and the Company agreed that all existing positions would be red circled so that no existing personnel would be down-graded.

The Union's evidence was that the adoption of the Company's proposal would leave very few jobs left for central office maintenancemen with the result that central office maintenancemen would be gradually eliminated and also apprentices would not obtain required training. It was said in argument on behalf of the Union that this was the "thin edge of the wedge" towards the erosion of jobs and that if this proposal was adopted the Company could erode all jobs in the same way.

The Union's concern is quite understandable but we think that the answer to the point made in argument is that the Union remains protected so long as the matter is one that is subject to collective bargaining. It seems to us that the Union's concern is symptomatic of another much larger problem of job evaluation concerning which we feel strongly that machinery should be established for joint consultation between the Union and the Company in all matters relating to changing job content and technological change. This proposal is dealt with elsewhere herein relating to the Clerical Division.

We found the Company's argument in favour of its proposition in this regard to be very persuasive. It had been our intention, therefore, to recommend the adoption of the Company's proposal as set out in Appendix 4 subject to:

1. All affected existing employees be red circled.
2. There be no more than 136 central office framemen-routiners.
3. The proposal be adopted only in the Coastal Division.

However, it is apparent to us that as the Union's position concerning this was adamant, it would be unrealistic to make such recommendations at this time. Perhaps once some machinery is adopted by the parties for resolving the problems created by the Company's job evaluation scheme such a proposal could be considered again.

Analysts

The Union proposed that the three incumbent central office maintenancemen performing jobs listed as "analysts" in the Trouble Analyst Centre be designated as "analysts" and be paid at the same rate as technicians.

The evidence as to the skills required of these incumbents compared with the skills required of an ordinary central office maintenanceman was unclear. However, it was clear that some misunderstandings had arisen between the Company and at least one of the incumbent "analysts" because of very bad lines of communication as a result of which he was led to believe that this job would be up-graded. This is an unfortunate situation but we do not think that this in itself can lead us to propose a change in the agreement.

We, therefore, make no recommendation with respect to this proposal.

Hours of Work

The Union proposed a four day – 35 hours week for technicians because they had previously been working a $37^1/_2$ hour week and were "over looked" when the hours for work for everyone else in the Plant Division were reduced from 40 to $37^1/_2$.

It is our view that there should be uniformity of hours of work within the Plant Division and we therefore make no recommendation with respect to this proposal.

We note that studies are being carried on elsewhere with respect to the reduced work week and Bell Telephone specifically in conducting a one-year test with a select group of employees. We also note that the Company has offered that all of the information it receives with respect to this and other studies will be made available to the Union, as will all reports it receives from its own advisory personnel who are commenting upon the Bell Telephone study. We recommend that all of these reports should be made available to the Union except in so far as they may contain confidential information.

Clerical: Hours of Work

It was proposed on behalf of the Clerical Division that a four day, 35 hours week, Monday to Friday inclusive, be adopted.

On the basis of the evidence before us, we cannot recommend a reduction in the work week.

However, we repeat the observations made earlier regarding the Bell Telephone study.

It is also convenient here to deal with the Union's proposal concerning the right of the Company to require early starts and late finishes because of "customer service requirements" and the Company's proposal for changes to Article 1 of Appendix 3 of the last Agreement.

We do not feel that the Union is entitled to have a right of veto with respect to early starts or late finishes and we are, therefore, recommending no change to this. However, it was quite clear in the evidence that the Company has not from time to time complied with its obligation of notifying the Union in writing with respect to this matter and which is not only, quite understandably, a source of annoyance to the Union, but also results in suggestions that the Company is not acting in good faith.

We accept the Company's position that it is a practical necessity to be able to schedule key punch operators to work on Saturdays. However, we do not accept the evidence that it is necessary to have installations on Sundays.

We therefore recommend that the words "key punch operators (evening)" be added to the list of classifications following "tape librarians" in Section 3 of Article 1 of Appendix 3 and that otherwise the problems of shifts and hours of work be referred back to the parties for further consideration during the life of the Agreement.

Job Classification and Job Evaluation

This is a long standing problem which is of very real concern to the Union. It is also a continuing and complex problem which we cannot hope to resolve in these negotiations except by establishing machinery by which it is to be hoped the parties can resolve the job classifications now in dispute and other job classifications which will undoubtedly be in dispute in the future as a result of reclassification.

It was obvious that there has been very little real bargaining about this issue prior to the formal hearing but negotiations since the hearing has resulted in a proposal by the Company attached as Appendix 5 and a proposal by the Union attached as Appendix 6.

The basic differences between the two proposals are that the Company proposal concerns itself only with new and future amended classifications whereas the Union proposal deals with already existing classifications, and the Union proposal establishes a joint committee and sets out its composition and powers.

Both proposals provide for the arbitration of disputes.

It is our opinion that the proposal of the Union for the creation of a Joint Clerical Job Classification Review Committee with equal representation from the Company and from the Union has a great deal of merit, but we see little purpose in setting out in this award the detailed powers or composition of the Committee. We are also of the view that the Committee and the Union should have complete information so that it will be in a position to make an intelligent determination upon all available information and not just selected information.

We, therefore, recommend that the Company's proposal as contained in Appendix 5 be included as Article 6 of Appendix 3 of the Collective Agreement amending Section 1 to read as follows:

> "The Company agrees that it will provide the Union with a copy of the evaluated job description for each employee for whom the Union is certified as the bargaining agent and without limiting the generality of the foregoing it is intended that the Union will be supplied with sufficient information for it to know the basis of each job description and the rationale for its job grouping. The Company also agrees to notify the Union in writing of any additions, changes or deletions of job classifications prior to the effective date."

We also recommend that the single arbitrator be agreed upon at the same time the Collective Agreement is entered into and that he be appointed for the duration of the Agreement.

We further recommend that the parties agree to the establishment of a Clerical Job Classification Review Committee with equal representation from the Company and the Union and that it be empowered to review existing and future job classifications and any existing or proposed job evaluation plan and make recommendations to the Company and to the Union. The Committee shall have an independent Chairman chosen jointly by the parties who shall have the power of making recommendations to the Company and the Union. If the parties cannot agree upon a Chairman, the parties agree to accept a Chairman appointed by this Board of Conciliation and Investigation or a majority thereof.

We further recommend that Sections 3, 4, 5, 6, 7, and 8 of Article 6 be deleted and Sections 1 and 2 thereof become Article 7.

Headquarters

See appropriate heading under "Master."

Education

The Union proposed an amendment to Section 10 of Article 5 of the last Agreement to provide that after two years of service any employee be considered to have the equivalent of grade 12 education.

We heard virtually no evidence that the current provision is creating a significant problem and we therefore cannot recommend a change. However, we do recommend that there be continuing liaison between the Union and the Company over the term of the next agreement and if this problem remains unresolved we recommend that the Union bring forward specific examples of problems.

Differentials

As noted earlier we think that there should be some consistency between the shift differentials between the three divisions and we therefore recommend shift differentials of $1.75 for the night shift and $1.50 for the evening shift in the Clerical Division.

Leaves of Absence

There is no provision in the current agreement with respect to leaves of absence but some provision can be found in Section 5 of the Informational Supplement.

Although this issue was raised by the Clerical Division, it would seem to have equal application to the other two divisions. We therefore recommend that Section 5 of the Informational Supplement be included as part of the Master Agreement but amended to include the following:

> "Employees who have completed three or more years of service with the Company may apply for and shall, where practical, receive one weeks leave of absence without pay."

Meal Allowances

We recommend that Section 2 of Article 6 be amended to provide as follows:

> "A luncheon (mid-shift) meal allowance not to exceed $1.50 without receipts or $3.00 with receipts, shall be granted an employee to reimburse him for unavoidable "out of pocket expenses" incurred through work assignments which management considers to be extraordinary."

Christmas and New Years Eves Worked

It was proposed that double time be paid for December 24th and December 31st evening shifts instead of time and a half.

Although it was not entirely clear from the evidence it would appear that the existing provision has the same effect as Section 9 of Article 3 of Appendix 2 relating to Christmas and New Years Eves worked by employees within the Plant Division notwithstanding the use there of the word "scheduled."

We therefore recommend no change in the provision for the Clerical Division.

Holidays Worked

The Company proposed adding the following as Section 9 to Article 2 of Appendix 3:

> "When an employee is scheduled to work on a holiday, he shall be paid at a rate of time and one-half for each hour worked during the normal day and double time thereafter in addition to any holiday pay to which he may be entitled."

Such a provision is applicable to the Plant Division and it is clear that some such provision is necessary.

We therefore recommend the adoption of the Company's proposal.

Salesmen

The Union called evidence suggesting that salesmen's duties today are much more complex than they were a few years ago and also that the Company's salesmen have fallen behind what is paid to salesmen in other industries. The Union therefore proposed that the number of progression steps be decreased from ten to five and from 67 months to reach the top level to 25 months. It was proposed that the last three steps of the existing schedule become the first three steps of the new schedule and two more steps were added.

We found the evidence not sufficiently convincing to justify such a dramatic increase. However, we think that some reduction could be made in the number of progression steps and some increase in wages be implemented as follows before the application of the general wage increase recommended herein:

Time Interval	Rate
0 – 6 months	$ 36.58
7 – 12 "	38.80
13 – 21 "	41.40
22 – 30 "	43.84
31 – 39 "	46.32
40 – 48 "	48.74
40 – over	51.21

Draftsman B and Home Consultants

The Union proposed a reduction in the time intervals in the progression steps for these categories. In our opinion there was insufficient evidence to make such a recommendation and we therefore make no recommendation with respect to this submission.

Jurisdiction

The Clerical Division made separate representations with respect to this issue.

As with the other divisions, this problem cannot be solved in these proceedings and we simply recommend the adoption of the machinery we recommended earlier for the resolution of this problem.

Wages

The Clerical Division made separate representations with respect to wages.

We can see no compelling reason for treating the Clerical Division differently with respect to this issue that the other two divisions.

It became clear to us throughout the course of the proceedings that collective bargaining in the sense of a full exchange of information and thorough exploration of the issues, had not preceded the hearings and indeed it seemed to us that some issues were only, in any real sense, discussed during the course of the hearing.

This may simply have been a result of the number and the complexity of the issues that arose in these negotiations, or it may have been that one or both of the parties had no real desire to bargain collectively because some of the issues were so contentious. However, if either be the case, it is an indication that the normal collective bargaining procedures may not be workable in the setting of a large provincial wide utility company and a large industrial union without some agreed upon amplified procedure.

It is our view that collective bargaining should be a year round process and not something for which issues are accumulated for the end of a one-or two-year period, and in the meantime positions become crystalized and tempers short.

Collective bargaining frequently does not work without some external pressure such as from government or the threat of strike or lockout. The parties may therefore wish to build into their collective agreement a more palatable internal form of pressure such as by way of the designation of an independent third party to whom the parties can take differences that arise between them during the term of a collective agreement, which cannot be resolved by the grievance procedure, but requiring amendments to the Collective Agreement. The Collective Agreement must be regarded as a living document that grows and adapts as circumstances change rather than something that is fixed, subject only to adjustments at one-or two-year intervals when it is "busting at its seams." This independent third party need not have the power to make binding awards but may bring an independent objective view to bear upon the situation and, if nothing else, be a sounding board for both parties. He may, however, recommend changes to the Collective Agreement during its term at the request of and subject to the ratification of both parties.

If the parties adopted such an approach there may be fewer issues to resolve during formal collective bargaining and such issues as there are may be, may have been much more thoroughly explored before the formal collective bargaining process was entered into.

We make these latter comments gratuitously for the consideration of the parties.

All of which is respectfully submitted.

DATED at the City of Vancouver, Province of British Columbia this 4th day of May, A. D. 1973.

(Sgd) Hugh G. Ladner,
Chairman

Donald E. McTaggart,
Union Nominee

APPENDIX 1

Grievances

1. The Company agrees to meet with a committee of the Federation to deal with grievances.
2. Any employee having a grievance shall first take the matter up orally, either with his immediate supervisor or with his Federation representative. Such grievance shall be presented to the employee's immediate supervisor as soon as reasonably possible after the cause of the grievance occurs.
3. In the event that no satisfactory decision is given within 14 days of the grievance being presented to the employee's immediate supervisor, the Federation representative will refer the grievance in writing to a counsellor. If the counsellor considers the grievance a just one, he or his appointee shall take up the matter with the supervisor in the particular office, department or district concerned.
4. In the event no satisfactory decision is given within 14 days, the counsellor shall refer the grievance to the General Secretary of the Division concerned. The General Secretary of the Division, or his appointee, shall refer the grievance direct to the Division or Department Manager concerned.
5. If the Division or Department Manager, or his appointee, has not given a satisfactory decision within 14 days thereof, then the General Secretary of the Division, or his appointee, may refer the matter in writing to the Director of Industrial Relations, and he, or his appointee shall render a decision within one month of receipt.
6. In order to receive consideration by the Company, all grievances relative to the Company's choice of personnel to be transferred for whom the Company is defraying expenses, shall be presented to the Company within 14 days after the Federation has been notified of the intended transfer.
7. By arrangement with his supervisor, an employee shall be permitted the necessary time off to attend to the adjustment of a grievance.
8. All grievances shall receive fair, just and speedy consideration.
9. All major and final decisions arrived at through the grievance procedure at Company Division or Department level shall be confirmed in writing to the General Secretary of the affected Division of the Federation.

APPENDIX 2

Job Posting Procedure

Delete and replace with the following:

1. A vacancy is defined as a position created when a journeyman is promoted or leaves a headquarters area.

   All journeyman vacancies will be posted company-wide except I&R vacancies in the following Coastal Division Headquarters area:

   West Vancouver
   North Vancouver
   Vancouver
   Richmond
   Delta
   Port Moody
   Port Coquitlam
   Whalley
   Burnaby
   New Westminster

   where one out of every three vacancies will be posted company-wide. Where two postings in succession draw no applicants and another vacancy in the same headquarters area and the same classification becomes available during the next six weeks following the closing date of the last unsuccessful posting, that vacancy will not be posted.
2. All vacancies and additions to staff in the Technician classification shall be posted Company-wide (as Technician only) along with a description of duties.
3. Successful applicants to Craft and Technician postings who have received transfer expenses from the Company and new employees hired into Craft or Technician classifications may be required to remain in their classification and locations for a minimum of four (4) years. This is effective March 1, 1972.
4. An employee in a non-Craft position who meets pre-employment Craft standards shall be given consideration over a new hire into Craft, providing the employee makes his wishes known through regular supervisory channels. Employees so chosen will be required to move a their own expense.
5. Mechanic, master mechanic, bodywelder, painter-bodyman, building equipment mechanic and building service engineer shall be posted Company-wide.
6. Senior storemen jobs shall be posted Company-wide.
7. Shop vacancies:—
   (a) Grades 1A to 1B — the employee with the most seniority. (notwithstanding Article XIII of the Master Section).
   (b) Grades 1B to II — the employee with the most seniority meeting pre-employment Craft standards will be given prime consideration.
   (c) Progression to Grade III is dependent on the completion of a fundamental course in one of the following:
      i) Teletype Equipment
      ii) Automatic Switching
      iii) Subscriber Telephone Equipment
      iv) Electronic Telephone Equipment

   Grade III jobs will be posted throughout the Shop.

8. Compassionate moves may be completed with the concurrence of the Federation and Company – no postings necessary. Compassionate transfers shall be for the same period of time as posted transfers, i.e. four (4) years.

9. Building Servicemen, meeting pre-employment standards will be given full consideration for vacancies in Grade 1A or Stores, providing they make their wishes known through regular supervisory channels.

NOTE: All of the movement restrictions of employees in the posting procedure shall be null and void in any case of layoff.

APPENDIX 3

Clerical Division

Article 5 – Job Postings and Vacancies

Vacancies in the Clerical Division shall be posted in accordance with the following procedures:

1. Vacancies in Group 1 to 3 inclusive shall be posted only in the localities in which they occur and where there is a position in that locality which is in a lower group than that of the vacancy.

2. Vacancies in Groups 4 and 5 occurring in the Greater Vancouver-New Westminster and Victoria areas shall be posted in the respective areas. In other areas notices of vacancies shall be posted only in the localities in which they occur.

3. Vacancies in Groups 6 and 7 and for Home Consultants shall be posted throughout the geographic division in which they occur. (For the purpose of this paragraph the Coastal area shall be considered as one Division.)

4. Vacancies in Groups 8 to 10 inclusive, for Draftsmen "A" and "B", and for Salesmen shall be posted throughout the Company. Draftsmen "A" will not be eligible for a Company paid transfer to another Draftsman "A" position until they have been in their present position for four (4) years. This provision for Draftsmen "A" is for new employees hired after 1973.

5. All vacancies must be posted in accordance with the provisions of the Article, however, vacancies occurring in a department in Groups 1 to 5 may be filled by the promotion of employees from within the same location provided that those employees being promoted are performing the same work function at a lower level of responsibility.

5. Such promotions must have prior approval of the Director of Industrial Relations with written notification to the Federation Office.

   When there is doubt that the same work function exists, or where the promotion considered would be more than two wage groups, the vacant position shall be posted.

   Service Representatives' and Service Centre Clerks' positions will not be filled through natural progression and are subject to the posting procedure in accordance with paragraphs 2 and 3 above.

6. Vacancies in Commercial offices having only one or two employees are not normally posted.

7. Job posting applications involving transfers or lateral transfers to other positions shall be determined according to the following procedures:

   (a) Employees with 12 months or more service in their department shall receive first consideration.

   (b) Employees with 6 months or more service in their department shall receive secondary consideration.

   (c) Employees with less than 6 months service in their department shall receive third consideration.

   (Probationary employees shall be excluded from applying on job postings.)

When exceptional circumstances exist which make it desirable that the above time limits be waived, the circumstances shall be submitted to the Director of Industrial Relations or his appointee for decision.

7. Clerical postings will be filled in accordance with Article XIII in the Master Section.

   A successful applicant for a lateral transfer shall not be eligible to apply for another lateral transfer for a period of two years from the date of appointment.

   A lateral transfer is defined as a transfer to a different job classification in the same clerical wage group where retraining is required.

8. Job postings shall contain:

   – Close off date.

   – The Classifications' outline of duties.

   – The number of vacancies and their specific locations, except that in the Vancouver area bulk postings such as for Salesmen, Service Representatives and Service Centre Clerks shall show specific locations only where known, with remaining locations to be determined at the conclusion of training courses.

9. The Company shall confirm in writing the receipt of each applicant's job posting application. Written confirmation of the successful applicant shall be forwarded to all applicants.

10. The transfer of a successful applicant to a posted position shall be effected as expeditiously as possible, with due regard to the securing and training of the successful applicant's replacement, but not later than two months after selection has been made, unless the delay is the result of a grievance.

11. In any case where the educational qualification for a job is increased from Grade 12 to Grade 13 or equivalent, the Company shall consider that two years of service with the Company together with Grade 12 is equivalent to Grade 13.

12. When it becomes necessary for operational reasons to temporarily restrict inter-departmental transfers, the employee or employees involved shall be notified at the time the restriction becomes necessary and be advised as to the anticipated length of the period during which the restriction shall be effective.

13. Where employees have notified the Personnel Department in writing of their desire to relocate, all requests for transfer shall be considered together with applications for job postings in the area concerned.

APPENDIX 4

Plant Division

ARTICLE 2 – SCHEDULE OF WAGE RATES

Add Wage Group 5

C.O. Frameman-Routiner (see attachment)

Change of Central Office Maintenanceman Functions

To coincide with the implementation of various changes in the functions and duties of designated Central Office Maintenancemen and the introduction of the Central Office Frameman/Routiner classification, the following changes are required in the assignment of duties and scheduling of Central Office Maintenancemen:

(a) The Central Office Maintenancemen in various offices throughout the Company operations will be divided into two separate work groups, one to do framework and routines, as spelled out in the Central Office Frameman/Routiner list of work functions, and the other to perform all Central Office functions.

NOTE: The Central Office Maintenanceman will be required to perform all the functions of the Central Office Frameman/Routiner as well as all other Central Office functions.

(b) Existing Central Office Maintenancemen will be required to successfully complete a switchman course, being designed by the Plant Training School, as the implementation of the Central Office Frameman/Routiner – Central Office Maintenanceman concept is completed and/or the change in work functions, referred to in (a) above, takes place.

(c) Existing Central Office Maintenancemen who cannot successfully complete the switchman course will perform the duties as outlined in the Central Office Frameman/Routiner proposal.

(d) No existing Central Office Maintenanceman will have his wage progression affected as a direct result of these proposals.

(e) Central Office Maintenancemen will be required to staff a centralized switch adjusting center, to be located in the Greater Vancouver area.

(f) Shift work will be assigned separately for each group; that is, the Central Office Frameman/Routiner and Central Office Maintenancemen in areas affected by the new work procedures will be assigned on separate schedules.

Central Office Maintenancemar – the present classification will remain and be in effect in many of our central offices. The duties and methods of performing certain job functions will change but in effect the Central Office Maintenanceman will be required to perform all Central Office functions.

Central Office Frameman/Routiner – will perform the following functions:

(a) Install, remove and test jumpers as required according to standard procedures.

(b) **Rack-Floor Duties**

Perform all miscellaneous duties associated with testing and trouble clearing on the frames, such as:

1. Remove and replace heat coils and test shoes for local test desk and cable maintenance department, etc.
2. Assist distant offices to check inter-office cable pairs.
3. Clear all frame troubles.

(c) Tag with cable splicers.

(d) Test and record measured service meters on installation and removal of measured lines.

(e) Trace for loaded facilities when any one of the assigned facilities is in use and conduct overall rack checks as required.

(f) Routine testing of central office equipment as detailed in the attached list of analysis routines.

(g) Place, test and remove intercept and recording clips.

(h) Bank and wiper cleaning and inspection.

(i) Preparation of trouble report in conjunction with above routine functions.

Central Office Frameman/Routiner – to progress to the Central Office Maintenanceman classification the Central Office Frameman/Routiner must first meet the craft pre-employment standards. After meeting the craft pre-employment standards and if a vacancy exists, the Central Office Frameman/Routiner will be given an opportunity to take Central Office craft training courses, which he must successfully complete and maintain adequate performance standards. Failure to successfully complete and maintain adequate performance standards will result in the employee being reclassified as a Central Office Frameman/Routiner.

Time Interval	Wage Rate
0 – 6	$ 29.84
7 – 12	31.44
13 – 18	33.03
19 – 24	34.62
25 – 30	35.42
31 – 36	36.22
37 – over	37.02

Central Office Framemen/Routiners will be subject to shift work covering all shifts and movement between various locations subject to the provisions of Article XVI – Board and Lodging. Shifts may be assigned so that a Central Office Frameman/Routiner will work any particular shift from a minimum of two weeks to a maximum of six months, with the exception of day-shift.

Wage Service Credits

An employee transferring from the Central Office Frameman/Routiner classification to a Central Office Maintenanceman position will maintain his present wage service credits to a maximum of 36 months.

APPENDIX 5

Appendix 3 Clerical Division

Article 6 – Job Classifications

1. The Company agrees to notify the Clerical Division in writing of any additions, changes or deletions of job classifications prior to the effective date.

2. Within 30 days of establishing a new clerical classification, the Company shall furnish the Clerical Division with a job description, the appropriate grouping and substantiation of factor ratings.

3. In the re-evaluation of positions, revised job description, groupings and substantiation of factor ratings shall be furnished within 60 days of the re-evaluation being initiated. Re-evaluations shall be requested only where there appears to have been a significant change in duties. The Company will, upon request, undertake a re-evaluation of any clerical position when five years or more have elapsed since the last evaluation.

4. The Company will provide for joint consultation with the Union on descriptions of new job classifications prior to their implementation provided such consultation will in no way delay or hinder the Company's right to fill new job vacancies.

5. If the Union determines that a grievance exists, they shall notify the Industrial Relations Department. Within 30 days of receipt of this notification, the Union and a representative of the Industrial Relations Department shall meet and attempt to resolve the grievance. If no agreement can be reached, the grievance shall be referred to arbitration within 60 days.

   Arbitration shall involve a single arbitrator agreed upon by both parties. The decision of the Arbitrator shall be final and binding on both parties and the cost of the arbitrator will be shared equally between the Company and the Union.

6. A wage increase awarded as a result of a re-evaluation initiated by an employee, shall be retroactive to the date of written request for the re-evaluation.

7. In the event that a re-evaluation downgrades a job into a lower group, any incumbent in that classification shall not have his wage rate reduced, but shall continue to be paid the same rate until the applicable rate in the lower group equals or is higher than the rate he is receiving. Thereafter, he shall progress on the applicable scale in the lower group.

APPENDIX 6

Federal Proposal (April, 1973)

Appendix 3 – Clerical Division

Article 6 – Job Classifications

(1) A Joint Committee shall be established as outlined in Memorandum of Understanding "A".

(2) Job evaluation procedures and descriptions shall be subject to the provisions outlined in Memorandum of Understanding "B' .

(3) Those jobs which are not included in the job evaluation plan will be specified by the joint committee. The wage level placement of such jobs will be subject to negotiation between the parties to this Agreement. In the event that agreement cannot be reached, either party may refer the disputed matters to a sole arbitrator for resolution. The arbitrators decision shall be final and binding on both parties.

(4) The Company agrees to notify the Clerical Division in writing of any additions, changes or deletions of job classifications prior to the effective date.

(5) Within 30 days of establishing a new Clerical position, the Company shall furnish the Clerical Division with a job description, the appropriate grouping and substantiating data with the factor ratings.

(6) In the re-evaluation of positions, revised job descriptions and the appropriate groupings, together with the substantiating data and the factor ratings, shall be furnished within 60 days of the re-evaluation being initiated.

Re-evaluations shall be requested only where there appears to have been a significant change in duties. The Company will, upon request, undertake a re-evaluation of any Clerical position when five years or more have elapsed since the last evaluation.

(7) A wage increase awarded as a result of a re-evaluation initiated by an employee, shall be retroactive to the date of written request for the re-evaluation.

(8) In the event that a re-evaluation downgrades a job into a lower group, any incumbent in that classification shall not have his wage rate reduced, but shall continue to be paid the same rate until the applicable rate in the lower group equals or is higher than the rate he is receiving. Thereafter, he shall progress on the applicable scale in the lower group.

Delete present paragraph 8.

"A"

MEMORANDUM OF UNDERSTANDING

Re: Job Classification Review Committee:

Effective date: 1973.

This memorandum outlines the agreement reached between the B.C. Telephone Company and the Federation of Telephone Workers of British Columbia regarding the creation, composition and criteria of a jointly administered Clerical Job Classification Review Committee, as negotiated for the 1973-1974 Working Agreement.

(1) Within 30 days of the signing of this Agreement, a joint committee will be created composed of three representatives designated by the Company and three representatives designated by the Federation. Both parties shall have the right to appoint alternate representatives as required, so long as the maximum of three each is not exceeded.

The Committee shall have the power to appoint sub-committees as required. Such sub-committees shall be advisory only, without voting rights.

(2) The purpose of the joint committee is to explore all aspects of job classification to establish a procedure that is mutually acceptable to both parties. In order to achieve this aim, all members of the joint committee shall have full access to all job descriptions, substantiating data, worksheet information, employee questionaires and supervisory comments for existing, future and delected clerical jobs.

The joint committee will make recommendations regarding validation of job descriptions, point allotment, establishment of bench-mark jobs and slotting, modification of factors and weighting, etc., including the extent of Federation participation and the need for continuing committees. All aspects of job evaluation will be discussed in order to revise the present plan or develop a new plan for recommendation to the parties to the collective agreement.

(3) In reference to (2) above, the job evaluation plan will be developed and the job descriptions graded not later than 6 months prior to the expiry of this Collective Agreement, unless extended by mutual agreement. Recommended changes may be implemented during the life of this Collective Agreement by mutual agreement of

the two parties. In the event that both parties cannot agree, the disputed matters will be referred to a sole arbitrator for resolution. The arbitrators decision shall be final and binding on both parties and be implemented during the life of this Collective Agreement, unless extended by mutual agreement.

(4) During the life of this Agreement the Job Classification Review Committee will review all existing multi-level job classifications to clarify the specific differences in the job descriptions which produce the difference in evaluation.

(5) Should the job level of any employee be changed as a result of the implementation of a new or revised job classification procedure, the salary treatment of such employee will be subject to mutual agreement of the two parties.

(6) During the life of this Contract, the members of the job Classification Review Committee shall be paid their normal wages by the Company.

Memorandum of Understanding "B"

Re: Job Evaluation **Effective date** **, 1973**

This memorandum outlines the agreement reached between the B.C. Telephone Company and the Federation of Telephone Workers of British Columbia regarding Clerical job descriptions, the job evaluation system and its administration:

(1) Prior to writing a job description or evaluating a job, the Company evaluator will discuss the job responsibilities with the affected employee and the supervisor concerned. The employee will prepare a questionnaire outlining the duties of the job, forwarding one copy to the evaluator and retaining one copy for his records.

(2) The evaluator will prepare a job description from the supplied questionnaire and return the draft to the employee for his verification. The employee will initial the job description to indicate he has read and understands the job description.

(3) The intent is that job descriptions will describe the job duties and responsibilities as clearly and specifically as possible.

(4) The Company evaluator will indicate in some manner on the job description, those duties or responsibilities which are considered most significant, and will discuss these with the employee concerned when preparing the job description.

(5) The duties and responsibilities set out in job descriptions will be those which were included as a part of the job at the time the job description was written.

(6) When jobs are evaluated, the Company will provide the Federation with a copy of the new job description, the employee questionnaire, the work sheet and all substantiating data, including point allotment, within 30 days of the evaluation being performed.

(7) The introduction of a new lower level of an existing job classification must be discussed with the Federation 30 days prior to implementation.

(8) In the event that a dispute arises regarding the job evaluation process, the Federation, may notify the Company Industrial Relations Department that a grievance exists. The Federation and Company shall meet and attempt to resolve the grievance. If no agreement can be reached, the grievance may be referred to a single arbitrator for resolution. The arbitrators decision shall be final and binding on both parties.

Report of the Company Nominee

I have carefully considered the report of this Board prepared by the Chairman and endorsed by Mr. McTaggart and, with great respect to their views, I find myself unable to agree with it in certain limited areas.

Having regard to the substantial cost impact of many items which were settled during the course of negotiations prior to the proceedings before this Board it is my view that, with regard to the question of wages generally, an appropriate adjutment should be as follows:—

Effective January 1st, 1973 the wage rates for all bargaining unit employees should be increased by eight per cent over those prevailing in 1972 and that effective January 1st, 1974 the wage rates for those employees should be increased by a further eight per cent based upon the wage rates prevailing in 1972.

I may say, in passing, that a very strong case, from the Company's point of view, could be made for increases of a significantly lower level for the clerical division which is clearly one of the most highly paid groups of employees in that classification to be found anywhere. I am not persuaded that any case has been made for basic increases in the Traffic Division before the application of any general percentage increases.

With regard to the matter of pensions I concur in the views expressed by the majority that the present non-contributory plan is one of the best available anywhere and the concessions made by the Company, during the course of negotiations, could only be regarded as generous. With these factors in mind I would recommend with respect to pensions that:—

1. (a) The Company increase the benefits payable under its pension plan to a "1.1 per cent formula" contingent upon the Union setting up its own pension plan requiring all employees of the bargaining unit to contribute one per cent of their wages to it in 1973 and two per cent in 1974.

(b) With respect to those employees in the bargaining unit who attained 50 years of age prior to January 1st, 1973 the Company will provide such additional funding as is necessary as set out in paragraph (c) below to provide full 1.1 per cent benefits for a minimum of fifteen years.

(c) With respect to those employees in the bargaining unit who attained 50 years of age prior to January 1st, 1973 they will be treated insofar as pension benefits are concerned as if they had attained their fiftieth year in 1973. In effect this would result in a contribution by the Company on behalf of those employees who reach their fiftieth birthday before January 1st, 1973 and who therefore do have fifteen years of service life left ahead of them during which they could with contributions after January 1st, 1973 build their pension benefits to an adequate level. If that person works to age 65 he will be treated as if he had put in fifteen years service at the 1.1 per cent level. Putting it another way, for a 51 year old employee, the Company would pay the difference between one per cent and 1.1 per cent contributions for one year, and for a 64 year old employee the Company would pay like contributions for fourteen years.

2. (a) The Company's pension plan would continue to be administered entirely by it with the exception that the Union shall be entitled to have two members on the Benefits Committee.

(b) Term of employment to include all service with the Company, all service with the Union, all approved leaves of absence, all periods of short term disability, and all temporary lay-offs of up to six months.

(c) Delete many of the discretionary provisions in the current plan.

(d) Provide that the pension benefits shall be based upon the average pay in the highest five years.

3. The Union's pension plan shall be designed to provide the following:

(a) The Union pension plan trust fund be solely under the control of the Union and administered by it.

(b) Future employee contributions including those over and above required contributions are to be deposited in the pension trust fund and credited with interest at the rate of investment earnings achieved by the assets of the fund.

(c) In the event of death, resignation or termination before retirement, an employee should be entitled to the return of his contributions together with interest thereon at the rate of investment earnings achieved by the assets of the fund.

With regard to salesmen, I would recommend a reduction in the number of progression steps and the following schedule be implemented before the application of a general wage increase:

Time Interval	Rate
0 – 6 months	$ 35.15
7 – 12 "	37.31
13 – 21 "	39.81
22 – 30 "	42.15
31 – 39 "	44.54
40 – 48 "	46.87
49 – over	49.24

With respect to hours of work in the Clerical Division I recommend that Sections 3 and 4 of Article 1 of Appendix 3 be deleted and the following substituted therefor:

"3. The basic work week shall be Monday to Friday except for the following classifications which may be required to work any five (5) consecutive days Monday to Saturday:

* Plant Service Centre Clerks (15% limit on Saturdays in any one Service Centre)

Computer Operators Class 1 and 2

Console Operators

Tape Librarians

Keypunch Operators

Data Control Clerks

* Plant Service Centre Clerks (repair service) basic work week shall be five (5) consecutive days of seven and one-half hours each during the calendar week. Shifts shall not require any employee to work more than one Sunday shift in any four-week period. No more than two Service Centre Clerks (Repair Service) shall be scheduled to work on any Sunday in any Service Centre.

When a Plant Service Centre Clerk (Repair Service) is scheduled and works on a Sunday, he shall be paid at a rate one and one-half times his regular wage rate for each hour of a normal shift worked on the Sunday and double time thereafter.

"4. The evening shift and night shift shall apply only to Computer Operators Class 1 and 2, Console Operators, Tape Librarians, Keypunch Operators and Data Control Clerks. However, Plant Service Centre Clerks may be scheduled on evening shift as defined under paragraph 1 above."

In view of the general concurrence expressed by the majority with the merits of the Company's proposal regarding Frameman Routiner, I would recommend that it be implemented.

In all other respects I am generally in accord with the recommendations of the majority.

(Sgd) George S. Cumming,
Company Nominee

May 4th 1973

Reasons for Judgment in Application for Certification Affecting

Public Service Alliance of Canada, **(Applicant)**

and

The Company of Young Canadians **(Respondent)**

The Board consisted of A. H. Brown, Chairman, and E. R. Complin, J.A., D'Aoust, Donald MacDonald, and Gérard Picard, Members. The Judgment of the Board was delivered by the Chairman.

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1. The Applicant applies to be certified as bargaining agent for a unit of employees of the Respondent consisting of field staff and administrative support staff excluding all volunteer-members, executive director, council secretary, director of rural projects, director of urban projects, director of financial and administrative services, director of communications, executive assistant (to the executive director), translator, secretary to the executive director, secretary to directors of rural and urban projects and council secretary. The term administrative support staff includes administrative assistant, first assistant to director of communications, second assistant to director of communications, supervisor – budget section, supervisor – accounting section, supervisor of office services, budget clerk, accounting clerk, payroll clerk, index and registry clerk, personnel clerk, secretary to communications director, stenographer, receptionist-stenographer, and senior stenographer.

The Respondent contests the appropriateness of the bargaining unit on the ground that while the field staff comprises an appropriate separate unit of supervisory employees, the group of administrative support staff is not appropriate for inclusion in the one bargaining unit with the field staff in view of the

substantial and distinctly different range of qualifications, duties and responsibilities between employees in these two groups as required in the discharge of their respective range of responsibilities in the employment of the Respondent.

The Applicant has as members in good standing all the employees in the field staff group but has not as members in good standing a majority of employees in the administrative support staff group as at the date of the application. However, by including in its proposed composite unit both the field staff and the administrative support staff, the applicant would have an overall majority of the employees in such composite unit as members in good standing therein. The Board does not consider that it would be warranted in giving effect to the Applicant's proposal in the circumstances of this case in view of the considerable difference in the range of duties and responsibilities between the employees in the two groups as established in the evidence given at the hearing held by the Board on the application.

Accordingly the Board finds that a unit of employees of the Respondent comprises of field staff is appropriate for collective bargaining and that a majority of employees in the said unit are members in good standing of the Applicant. An order will issue certifying the Applicant as bargaining agent for the unit of employees of the Respondent as thus found to be appropriate for collective bargaining by the Board.

(Sgd) A.H. Brown
Chairman for the Board

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CONCILIATION BOARD REPORTS

No. 2, 1973

Conciliation Board Reports in disputes between:

Canadian National Railways and Canadian Pacific Railway Company; and Associated Non-Operating Railway Unions

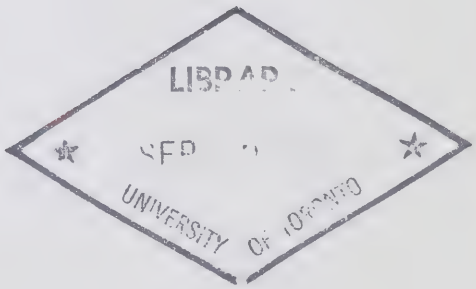
Railway Association of Canada; and Div. No. 4, Railway Employees' Department

Canadian National Railways and CP Rail (System); and United Transportation Union (T)

Great Lakes Pilotage Authority; and Public Service Alliance of Canada

Atomic Energy of Canada Limited; and Atomic Energy Allied Council and International Association of Machinists and Aerospace Workers

CANADA DEPARTMENT OF LABOUR



Hon. John Munro, Minister

W.P. Kelly, Acting Deputy Minister

RONALDS-FEDERATED LIMITED
CONTRACT NUMBER OKT4-1109

Report of Conciliation Board established to deal with dispute between:

Canadian National Railways and Canadian Pacific Railway Company

and

Associated Non-Operating Railway Unions

The Board was under the chairmanship of The Honourable Mr. Justice F. Craig Munroe of Vancouver. He was appointed by the Minister of Labour in the absence of a joint recommendation from the other two members of the Board, S.E. Dinsdale, Q.C., of Toronto, Ont., nominee for the companies, and John C. Weldon of Montreal, Que., nominee for the unions. Each member of the Board contributed separately to the report.

The report was received by the Minister during July.

Pursuant to the provisions of Section 173(4) of the Canada Labour Code, you appointed me as third member and chairman of a conciliation board to endeavour to bring about agreement between the above-named parties respecting the terms to be incorporated into a collective agreement governing conditions of employment on and after December 31, 1972, the date when their former agreement expired. Professor J.C. Weldon of Montreal was the nominee on the Board of the Unions and S.E. Dinsdale, Q.C., of Toronto, was the nominee of the railway companies.

Sittings of the Board to hear the submissions of the parties were held in Montréal from June 19 to 22, and in Ottawa on June 25 and 26, 1973. Thereafter the Board members met and deliberated at Ottawa and at Vancouver. Despite the application of intensive conciliation procedures, the Board was unable to bring about agreement between the parties.

The Associated Non-Operating Group of Unions involved in these proceedings represent 55,760 employees who perform many hundreds of different types of work of widely varying skills and receive a multitude of different basic rates of pay. In 1972 those employees had an average rate of pay of $3.54 an hour and their average earnings was $3.64 an hour. Their average annual earnings in 1972 was $8,081. Fringe benefits cost the railway companies an additional $2,000.00 for each employee on the average. An increase in wage rates of 1 cent an hour a year will cost the companies $1,265,000. An increase of 1 per cent a year will cost $4,457,000.

The Board heard many requests from the parties for changes to be incorporated in the new collective agreement. In my report I shall refer only to those where a change is recommended. The fact that the others are not dealt with specifically does not mean that such requests are necessarily lacking in merit. It means, rather, that in terms of priority they rank behind the others or they are not of sufficient general application, or can better be left for future direct discussions between the parties.

I turn now to a consideration of the major points in dispute, namely, job security and wages.

Job Security

The unions' demands included the following:

> "All employees with two or more years of service presently in the employ of the railways and those employees who subsequently attain two years service shall be provided with full employment without loss of wages."

The unions explained that this demand meant that after two years of service, no employee could be laid off except by reason of retirement, death, voluntary separation or for disciplinary reasons. There can, of course, be no justification for requiring the railway companies to employ people for whom no work is available. If the companies are to conduct efficient operations and to compete successfully in the transportation market, they must remain free to discontinue jobs for which the need has disappeared. On the other hand, the companies must continue to accept a measure of responsibility for minimizing the adverse effects of changed working conditions upon their long-service employees, as is now accomplished by the provisions of the job security agreement. The unions assert that their proposal could be achieved at low cost to the companies because of normal attrition. That assertion is challenged by the companies who say that the unions' proposal would require the companies to retain on their payrolls employees who, because of constraints of seniority boundaries, lack of occupation and geographic mobility, skill requirements and other such factors, could not be placed in productive employment. That type of problem requires detailed study by persons familiar with the day-to-day operations of the railways because it is obviously desirable that the railway companies should resort to lay-offs only where normal attrition has failed to meet the requirements of necessary adjustments in the work force.

Wage Rates

The difficulty in getting the parties to reach agreement upon the issue of wages is occasioned in the main by the substantial rise that will probably occur during 1973 and 1974 in the consumer price index, the fact that the companies have tentatively agreed to costly improvements in pension benefits, and to the fact that the companies are unwilling to pay the employees concerned in these proceedings a percentage increase different than the 14 per cent which they agreed to pay to their 20,000 shop-craft employees — a settlement agreed to by their bargaining agents but not ratified by the members.

On March 16, 1973 the parties to this dispute tentatively agreed upon major pension benefit improvements, subject to a satisfactory resolution of their disputes concerning other cost items. The companies assert that the pension improvements will cost them an additional $46 million in each of the years 1973 and 1974, an amount equal to 4.3 per cent of their 1972 combined payrolls. The companies claim to be entitled to deduct said amount from the general wage increase that would otherwise have been granted had the improvements to the pension plan not been negotiated. On the other hand, the unions submit that the actual ultimate cost to the companies resulting from the pension improvements will likely be much less than 4.3 per cent of their 1972 payrolls, the actual amount being dependent upon the rate of return earned upon invested money, future changes in the Canada and Québec Pension Plans, changes in rates of pay of the beneficiaries, future changes in the period of amortization, and other factors. Nevertheless, in each of the years 1973 and 1974 the companies are committed to pay

the additional sum of $46 million into the pension funds and they did so at the instance of the unions who gave high priority during negotiations to their claim for improved pensions. It follows that when making a recommendation concerning other items of cost, one must reasonably have regard for and take into account the increased contributions to be made by the companies to the pension fund. On the other hand, it would not be proper, I think, to deduct the whole cost thereof because pension benefits increase at irregular intervals, not annually or bi-annually.

The federal Government has recently introduced legislation that should help to offset the damaging effect of inflation upon these railway employees. In his budget speech of February 19, 1973, the Minister of Finance illustrated the effect of the new income tax measures by saying that a married man who earned $8,000 a year and who supported a wife and two children would realize a total tax reduction of $141. That is the equivalent of a 2.4 per cent annual wage increase. He added, "I expect union members and their leaders to take full account of the increase in disposable income that will flow from those tax reductions when they enter wage negotiations."

In determining my recommendations, I have taken into account the tax reductions and also the seemingly ever rising cost of living, the increase that will probably occur in productivity in the Canadian economy and in the railway industry, the increased experience and skills of these employees, the increased costs to the companies of the improved pension benefits and the increased cost to the companies of other fringe benefits herein recommended (equal to 1.2 per cent of a general wage increase) for both of which the companies must find the necessary funds, the general pattern of negotiated settlements in Canada for the years 1973 and 1974, the economic position of the companies, the relationship of the average hourly earnings and fringe benefits of the Associated Non-Operating Railway Employees to those of the durable goods group of employees, and the economic conditions in Canada viewed as a whole.

My recommendations are as follows:

Job Security

1. A joint committe of the parties should forthwith be established to examine the ways in which attrition could be used to better advantage; to review present practices and to recommend to the parties by April 1, 1974 the extent to which and the conditions under which attrition might be more extensively and more effectively used to avoid lay-offs when making work force adjustments.

2. The Job Security agreement presently in force should be amended to improve and increase the benefits in the manner proposed by the companies and concurred in by the unions.

Wage Rates

To the hourly basic rates of pay in force on December 31, 1972 there should be added:

(a) Effective January 1, 1973 — 30 cents an hour;

(b) Effective January 1, 1974 add a further 5 per cent calculated on the basic rates of pay in effect on December 31, 1973;

(c) Effective on July 1, 1974 add a further 3 per cent, calculated on the basic rates of pay in effect on June 30, 1974.

Daily, weekly and monthly rates should be increased in an equivalent manner.

Shift Differentials

Except as specified below, effective January 1, 1974 employees whose regularly assigned shifts commence between 1500 and 2259 hours should receive a shift differential of 5 cents an hour and employees whose regularly assigned shifts commence between 2300 hours and 0559 hours should receive a shift differential of 10 cents an hour. Overtime shall not be calculated on the shift differential nor shall the shift differential be paid for paid absence from duty such as vacations, general holidays, etc.

Note: Shift differentials will not apply to road service employees in sleeping, dining and parlour car service; shipboard staff in marine services; and mileage rated truck drivers.

The above shift differentials will replace such provisions presently existing in collective agreements except that where more favourable provisions exist, such as those in agreements between the Telecommunications Departments of Canadian National and Canadian Pacific and the Canadian Telecommunications Union providing for reduced hours, such provisions will continue to apply.

Skill Pay

The skill differentials should be included in the basic rates of pay of employees receiving such skill differentials, effective from January 2, 1974.

Truck Driver Rates

The railways and the B.R.A.C. and the C.B. of R.T & G.W. should negotiate the allocation of an amount of money equivalent to 9.7 cents an hour wage increase to city truck drivers employed in CP Express, CP Transport and CN Express. The distribution of that sum will be achieved by establishing additional special differentials and/or increasing existing special differentials to be paid in addition to the regular hourly rates of city truck drivers in the light of the average rate of truck drivers at specific locations.

Overtime to be shown on pay cheques

Effective the first pay period of 1974 all overtime earned shall be shown as a separate item on the pay cheques of employees.

Rates of pay for employees under 21 years of age

Provisions of any collective agreement providing for the payment of reduced rates of pay for employees less than 21 years of age will be deleted.

Pensions

The improvements in the railway pension plans as outlined in the settlement of March 16, 1973 will be accorded to the employees covered by the proceedings of this Board of Conciliation. Such pension plan improvements will not, however, form part of any collective agreements.

General Holidays

Effective January 1, 1974, work performed on a general holiday by an hourly, daily or weekly rated employee who is qualified for holiday pay shall, for the first eight hours worked, be paid at time and one-half instead of at the straight time rate as at present; this shall be in addition to the holiday pay of 8 hours at the straight time rate provided for in existing agreements.

An employee otherwise qualified for general holiday pay will not be disqualified from such pay if he is in receipt of, or subsequently qualifies for, weekly benefits because of illness on such holiday.

Vacations

The existing qualification requirements for annual vacations should be amended to provide that:

Effective January 1, 1973
The qualification of 8 years of service for 3 weeks vacation be reduced to 7 years.

Effective January 1, 1974
The qualification of 7 years of service for 3 weeks vacation be reduced to 6 years.

The qualification of 18 years of service for 4 weeks vacation be reduced to sixteen years.

The qualification of 30 years of service for 5 weeks vacation be reduced to 26 years.

The parties have agreed to a provision for pre-payment of vacation pay effective with pay period 04 in 1974 and that item is included as a matter of record.

Health and Welfare

The weekly indemnity benefits should be maintained at the level required to meet the U.I.C. registration criteria, the residual net costs for the years 1973 and 1974 to be borne by the railways, after setting against the total cost:

(a) employees' U.I.C. rebates, and

(b) the 1971-72 surplus, allocated over the two years.

Bereavement Leave

Existing bereavement leave rules should be amended to extend the payment of bereavement leave to brother(s), sister(s) and step-parent(s).

Automobile Mileage Allowance

Where an automobile mileage allowance is paid, such allowance should be twelve cents (12¢) a mile.

Article IX.

The provisions of Article IX of the Master Agreement of May 14, 1971 should be included in the Master Agreement resulting from the current negotiations.

Items to be progressed under that Article must be submitted by one party to the other no later than March 31, 1974.

Call-In Pay

Call-in pay should comprise not less than three hours and should be paid for at overtime rate of pay.

Loss of Wages in emergent situation

The policy statement of Canadian National Railways dated November 9, 1971 should be implemented by all railway companies, subject to the provisions of the Canada Labour Code.

Term

The new collective agreements should be for a two year period ending on December 31, 1974, and should contain a provision to accord with Section 147 of the Canada Labour Code.

Save as aforesaid, the terms and conditions contained in the former collective agreements should be renewed.

SUMMARY

If my recommendations are adopted, my estimate of the benefits that will accrue to the employees during the life of the two year agreement are as follows:

(1) Average hourly earnings in 1972 will be increased by 62 cents an hour (from $3.64 to $4.26) — equivalent to an increase of 17 per cent.

(2) City truck drivers will receive additional premium pay.

(3) Substantial improvements will be made to the Job Security Agreement, making it one of the best in Canada.

(4) Substantial improvements will be made in the pension benefits.

(5) Improvements in the sickness benefits, vacations. bereavement leave and automobile mileage allowances will be made.

(6) Payment of skill differentials will for the first time be incorporated into basic rates of pay.

(7) Payment of shift differentials will be made for the first time in the railway industry in North America.

My estimate of the cost to the railways of adoption of my recommendations is as follows:

	Percentage Increase
General wage increases	17
Improved Fringe Benefits	1.2
Improved Pension Benefits	4.3
Total	22.5

If one gives effect to the argument of the unions and reduces the cost of the improved pension benefits even to 2.3 per cent there still remains a monetary package settlement of 20.7 per cent — a

figure that compares favourably with increases in compensation gained by other Canadians for the years 1973 and 1974.

DATED at the city of Vancouver, in the Province of British Columbia, this 6th day of July, 1973.

(Sgd.) F. Craig Munroe,
Chairman of the Board

Report of S. E. Dinsdale, Q.C.

I have had the opportunity of reading the report of the chairman and while I agree with most of his recommendations, I wish to dissent from his recommendations regarding the amounts of wage increases to be granted to the employees affected by these proceedings in the years 1973 and 1974. I agree with the chairman's statement of factors to be taken into consideration in arriving at a wage recommendation in this case, but in my respectful view, the evidence submitted to the Board relating to these factors does not justify increases of the magnitude recommended by him. Wage increases in broad segments of Canadian industry in 1973 are about 7.5 per cent. On June 14, 1973 the Minister of Finance stated in the House of Commons:

> "Wage rates rose at a rate of 7.5 per cent in the first quarter of 1973, which is below the rate of 7.8 per cent in 1972. There has not been any breakout in wages."

Bearing in mind that the parties to this dispute have negotiated as part of their settlement, pension improvements that will cost the railway companies an additional $46,000,000 in each of the years 1973 and 1974, it would be expected that wage increases for railway employees should be marginally less than the general level of wage increases in industry in 1973. The railway companies took the position before the Board that in determining the amount of wage increase in each of the years 1973 and 1974, the cost of the pension improvements must be taken into account and I am in complete agreement with that proposition. I must emphasize, with respect, that at no time did the railways claim that the amount of wage increases should be decreased by the full 4.3 per cent cost involved in the pension improvements. Their position throughout was that this cost was a matter to be taken into account in determining what constituted a fair and equitable wage settlement in the light of settlements taking place and expected in the Canadian economy. Indeed, the railways' proposals for wage increases were only marginally less than expected generally in industry in 1973 and 1974. In light of those considerations, the wage increase for railway employees in the year 1973 should be less than 7.5 per cent, and in my opinion, an increase of 7 per cent as negotiated between the railways and the Shop-Craft Unions, is reasonable and fair.

The chairman has recommended increases of 5 per cent effective January 1, 1974 and a further 3 per cent compounded effective July 1, 1974. The practical effect of that recommendation is to grant an increase in 1974 of 8.83 per cent over 1972 rates. In fact, it is greater than that because the incorporation of the skill differentials in the basic rate of pay from January 2, 1974 will further increase the effect of the July 1 increase.

In my view, having regard to the additional cost for pension improvements in 1974 (4.3 per cent of the 1972 payroll), the wage increase in 1974 should be less than the expected wage movement likely to take place in industry generally in that year. I, therefore, recommend a wage increase in 1974 of 6.5 per cent over 1973 rates, which is equivalent to approximately 7 per cent on 1972 levels.

The chairman has recommended that shift differentials be introduced into the new agreement between the parties for the first time ever in North American Railways. That improvement will cost the railways some $2,000,000 in the life of the agreement. The chairman's recommendations in respect to wage increases would place on Canadian National and Canadian Pacific Railways together a burden of $108,000,000 in additional costs over the life of the collective agreement. The cost of pensions and other benefit improvements is approximately $43,000,000 and thus the full impact of the chairman's recommendations is to add to the operating costs of Canadian National and Canadian Pacific an additional burden of $153,000,000 in the two year period. It must be borne in mind that that cost is for the 55,000 non-operating employees only and does not take into account all of the other employees presently bargaining with the railways and numbering 40,000 persons. While this Board of Conciliation is directly concerned with the Associated Non-Operating group only, the over-all cost implications cannot be ignored.

Undoubtedly improved productivity will assist the railways in absorbing some part of the additional labour costs. Indeed, it is essential that some part of the cost be absorbed in that way. However, in an industry in which the ratio of total labour cost to gross revenue amounts to approximately 60 per cent, the impact of these labour costs requires that increases stay within the general pattern of settlements in the rest of the economy.

In all of those circumstances I am firmly of the opinion that there is no evidence to justify wage increases exceeding those generally to be found in broad segments of industry; – and in this case they should be somewhat less because in the order of their priorities the union insisted upon pension benefit improvements equal in cost to 4.3 per cent of 1972 payrolls.

Reference is made in the chairman's report to the fact that a settlement was reached between the railways and the bargaining agents for some 20,000 shop-craft employees. We were informed that that settlement was made with the aid of mediators from the Department of Labour and approved by a special conference of some 60 representatives of the employees concerned. Further, that settlement, which afforded the employees concerned a percentage wage increase of approximately 14 per cent, was also approved by each craft committee of the unions concerned.

It was described by the Minister of Labour as "an excellent settlement." That settlement was not ratified by the employees concerned, with the result that it apparently became a floor in the present proceedings. In my respectful view, the short and long term effect of the chairman's recommendations on wages, if implemented, may stunt the growth of healthy labour relations between the railways and their employees. It is a dangerous situation because it contains the seeds of destruction of free collective bargaining procedures. Should that pattern develop, union memberships would be encouraged to reject settlements made by their representatives, comfortable in the knowledge that they are likely to obtain more from a conciliation board than their representatives had negotiated for them. In that situation employers would increasingly find it impossible to negotiate settlements in good faith. The usefulness of conciliators and mediators would be at an end. The employer would know that the only way to avoid prejudicing his position would be to refrain from making any concessions to bargaining representatives, until all of the normal procedures of negotiation and conciliation were completed. These would be most undesirable results, damaging to good industrial relations, and could lead railway labour negotiations back to the conditions of stalemate that prevailed prior to 1968.

There is a further matter to which I must refer, and that concerns the date from which skill differentials are to be incorporated into basic rates of pay. The date recommended by the chairman is January 2, 1974 following the implementation of general wage increase on January 1, 1974. However, with a further increase recommended by the chairman to be effective on July 1, 1974, it is apparent that that increase has the effect of compounding the skill differentials prematurely. That result may not be

intended as the companies had proposed that the skill differentials be incorporated into basic rates of pay on the day following the implementation of the last general increase. For those reasons I recommend that the date for incorporating skill differentials into basic rates of pay be the day following the date upon which the last general increase is implemented.

In conclusion, I wish to comment more directly on the inflationary aspect. The total cost of the recommended settlement would be nearly 23 per cent for a two-year agreement with only slightly more than 17 months to run. Regardless of how successful the railways may be in their efforts to increase productivity and expand business volume, it would seem apparent that a substantial part of the increased costs will have to be borne by railway customers. In that way the inflationary spiral on which so much emphasis was placed by the unions in their submissions to the Board; is further prodded. The Minister of Finance in the statement quoted by the chairman in his report has called for restraint. Increases of the magnitude recommended by the chairman, do not reflect restraint. On the contrary, it is my view that those recommendations, if implemented, would give an unnecessarily excessive twist to the inflationary spiral. Further, it must be expected that major settlements such as in the railway industry, will have some bearing on settlements in other sectors of the economy.

For all the foregoing reasons it is my recommendation that there be a wage increase of 7 per cent for the year 1973 over rates in effect in 1972, and that there be a further wage increase in 1974 of 6.5 per cent over rates in effect on December 31, 1973.

DATED at Toronto this twelfth day of July, 1973.

(Sgd.) S.E. DINSDALE,
Company Nominee

REPORT OF J.C. WELDON

I think it may be fairly stated that the Conciliation Board made every reasonable effort to assist the parties to the dispute in reaching agreement, but it is now quite clear that we could not, and in fact did not succeed in bringing the parties to an agreement. Accordingly, my observations, findings and recommendations are set forth in the pages that follow.

Introduction: Pattern of the report

So that the matters of substance can be dealt with at once, I have organized this report so that the listing of the parties, the formal statement of issues, and similar matters of formal record are relegated to appendices. In the same spirit I want to report to you at once on the two issues of overwhelming practical importance to the dispute, first, *job security*, and second, *wages.*

I shall, accordingly, first give my specific recommendations to you and the parties on these critical issues. Then I shall develop in considerable detail the reasons that have led me to offer this advice. Unfortunately, the critical issues are by their nature complex, and must be dealt with at some length if you and your advisors are to be sufficiently informed as to the basis of the advice.

The rest of the report moves at a much faster pace, for although specifics have to be offered on each of a long list of particular demands, my strong belief is that the parties and the Board would have had comparatively little difficulty with the bulk of these lesser items given success with the major issues.

Major Recommendations: Job security

My recommendation on *JOB SECURITY* is that the union proposal be granted, but only on the basis of *four or more years* of service (rather than on the basis of the *two or more years* of service the union proposed in their request).

Major Recommendations: Wages

My recommendation on *WAGES* is intermediate between the union request in Appendix "B" and the railway proposal for settlement that is essentially the abortive offer the railways made to shopcraft employees. Specifically, I recommend that with effect from January 1, 1973 a total increase be granted the unions composed of three elements:

(a) 5.45 per cent to offset inflation;

(b) 3.34 per cent to provide the workers before the Board an average share of the projected increase in the national product; and

(c) 2.00 per cent to provide a first step in allowing the workers to catch up to their counterparts in other industries.

The three elements total 10.79 per cent.

My further recommendation for the second year of the contract is that this same formula be applied on January 1, 1974 to rates as they are on December 31, 1973, with the elements of the formula being again the sum of the three elements just listed, and having the same logical basis.

Finally, I recommend that the 10.79 per cent for the first year be converted to the equivalent amount in a flat cents-an-hour increase across the board (about 38 cents an hour as contrasted with the 55 cents the unions proposed), and that the 10.79 per cent for the second year be applied as a straight percentage increase (as contrasted with the 15 per cent the unions proposed). The principle that the first year's increase should be in flat cents-an-hour terms, and the second in percentage terms does not seem to be in dispute.

The Job Security Issue

The two major issues that dominate the dispute, job security and wages, have their origins in a single fact. The railways as an industry have experienced an almost unique decrease over the years from 1956 to 1971 in the size of their labour force, a fall of something like 37 per cent, a unique change brought about by dramatic technical improvements, a unique change that has vastly improved productivity, but a unique change also that has placed a two-fold burden on the railway workers. There has been first and perhaps foremost, a feeling of desperation about job security, and second, a feeling of gross injustice about the large gains in productivity the workers see the railways have obtained, but productivity gains in which they the workers have not only been deprived of equal shares, but instead been allowed to lag behind the gains in earnings of industries where productivity has grown much more slowly, and all of that with the loss of jobs where their counterparts have been enjoying widening employment totals.

The railway industry in Canada has, of course, made a limited response to the job security part of that problem. Its statistical size is easily recorded: the contribution of *one cent an hour* to a job security fund. (I now leave the general problem, and deal with job security per se, returning to wages later.) It was indeed as late as 1962 that even this new ground was broken, by a Board chaired by Mr. Munroe, and though since that time the device introduced of a "one-cent an hour fund" to mitigate attrition has been improved from time to time in the scope of the situations dealt with, at no

time has the "cent per hour" formula in fact been improved

That in one minor point overstates things a little. In 1968 a provision was added to the agreement on the fund guaranteeing that benefits agreed upon would be honoured even should the fund at any time be unable to meet these benefits from the "cent per hour" contribution. The companies would be put in whatever additional amount was necessary over and above the "one cent per hour" to guarantee the benefits. The large reserves in the fund show, however, that the companies have not even come close to being subjected to adding anything to the minimum cent an hour, and additions if they are ever needed can hardly be required for many years into the future.

There can be little doubt, then, that the need for major innovation is long overdue. Retraining expenditures for a sixteen-month period recently past ran to less than $4,000 for the whole of the CNR, clearly a ludicrously small response to the magnitude of the problem if anyone imagines that retraining is seriously intended as an answer to loss of thousands of jobs.

Surely the advantages to both sides of a new approach are self-evident. Further, my belief is that the parties are really not far apart on the issue if trust or an effective way of bringing in the change can be organized.

The unions are prepared to make a variety of supplementary concessions. There is no use, for example, in building a job security fund whose purposes are substantially reduced when the new arrangements take hold. If necessary, the unions would surely concede that the railways pay nothing more into the fund for the first experimental two years of the new scheme, relying on the earnings from the money already in the fund for the limited obligations the new security program cannot handle.

I would accordingly amplify my capsule recommendation to suggest how a good faith development could be created. Thus, in more detail I would recommend:

(a) that job security be granted, in those first experimental two years, not for people with two or more years of seniority, but four or more years;

(b) that the new arrangements be effective not from January 1, 1973, but from July 1, 1973;

(c) that the parties immediately establish a small technical committee to foresee and overcome as many of the technical difficulties as the new arrangements might occasion in the exceptional "hard cases";

(d) that the parties immediately choose an experienced neutral to assist them during this planning stage, with the understanding that the referee would have authority to close all outstanding procedural questions by November 1, 1973;

(e) that the parties, if unable to choose a referee, have the Minister of Labour name the referee;

(f) and that in the meantime, from July to November discharges that would be inadmissible under the new arrangements be prohibited.

There is one difference in approach that it would be hard to overemphasize as it demonstrates the major *quid pro quo* the unions are offering. In the earlier days of the debates about how to protect jobs the unions took an understandable but rigid line that in effect tried to hold the work force constant, or little changed, an attitude that had feather-bedding aspects in the public mind and was in the nature of things resistant to technical change. *Now they have made a fundamental decision to reverse that defence.* They offer flexibility. They leave the railways all the freedom in the world to ensure that people who get a pay cheque do useful work for the pay cheque. There are no freezes, but rather an offer of mobility and ease of adaptation.

The facts that demonstrate the feasibility of the new arrangements are striking. Normal attrition on the Canadian National Railways during the most recent period for which data is available is approximately 18.0 per cent, a year. Over-all contraction in railway employment has been shown to be at an average yearly rate of only 2.7 per cent. Therefore, the average yearly attrition rate on Canadian National Railways is more than six times the over-all average yearly contraction rate of Canadian railways, and according to the same texts, over three times the contraction rate of any major "division" group, and higher than that of any individual "division" on Canadian railways.

One must conclude from those observations that normal attrition can adequately handle expected contraction of non-operating railroad employment on the Canadian National Railways in the foreseeable future even at the two year seniority level. Indeed, Canadian National Railways hired 7,173 new non-operating employees in 1969; 6,773 in 1970, and 7,928 in 1971.

The railways have argued that these attrition rates represent "jobs"* and that in some cases it is possible that repeated turnover may occur on the same job and double counting may be involved with respect to the attrition rate. It is significant that the railways presented no evidence as to the magnitude of the problem. The unions, however, made a computation on the assumption that 70 per cent of CNR separations were because of resignations and that three different persons each year filled any vacant post. Even with these assumptions the attrition rate would be 3.6 times greater than the over-all contraction rate.

* and not simply individuals

One might also look at the portion of the railways non-operating labour force that will soon be eligible for retirement and the portion of that labour force that could be laid off because they have less than four years of service. On Canadian National Railways 16.6 per cent (Ibid., p. 74) of the employees are 55 years and over and 31.3 per cent had less than four years of seniority. There is therefore to my eyes, lavish room for the flexibility to prevent the underutilization of labour.

Finally, one might look at the actuarial tables supplied by the railways to see how much of the turnover is associated with employees with very low years of service. Appendix "C" is a photostat of page 25 of the actuarial report (Mercer) which along with page 23 (Appendix C*) from the same report shows that the turnover figures of substantial size are closely tied to the very junior employees — unaffected by the four-year security proposal. In brief, there is a non-problem here. The unions can be given their needed security virtually without cost. The railways gain flexibility in introducing technical change.

Proposals to freeze job totals have been abandoned. Feather-bedding is no longer the desperate defence unimaginative change forces on the workers. The job security fund approach can be kept for minor, supplementary tasks, and no doubt in time displaced to a virtual nullity. All parties gain, the railways by their new freedom to adopt modern ways, the unions by the disappearance of the threat that *no amount of service produces real security*.

I find it impossible to imagine that the men of vision on both sides will not seize the opportunity to make a breakthrough the rest of Canadian industry will envy and copy. It would be naive to imagine that all advantages of the new approach will materialize in the first two-year contract. That is one reason for recommending the "four-year seniority" test: the parties are, so to speak, able to test the water in a riskless way, making their mutual adjustments in a controlled fashion. But to repeat, I think they will all find the new approach far simpler to live with than the old, equitable and

efficient, and that the safety margins for the change are so wide that it would take much ingenious bad-will to create difficulties of any consequence — and on both sides the industrial relations people impress all observers as being as knowledgeable and sensitive as any in Canadian industry.

The Wage Issue

I come now to the second vital issue, wages.

The parties, in fact, are very close in principle on the first two elements of the union claim, the need to compensate for inflation, the right to share in national productivity in proportion to how per capita productivity increases.

For example, on page 17 of Railway Exhibit 24, the railways say:

> "The principle of equal remuneration for equal work is probably the most widely used wage criterion in collective bargaining and we subscribe to it as a matter of broad policy."

The railways also said:

> "It is extremely difficult to define in practical and quantitative terms "employees' interests.' At best they can be defined in terms of basic concepts of equity such as the concept of equal remuneration for equal work, the concept of sharing in the improved standard of living in the country, the concept of a living wage, or the concept of protecting the employees' purchasing power."

Professor D.C. Smith, in a study prepared for the Economic Council of Canada, entitled: *Incomes Policies, Some Foreign Experiences and Their Relevance for Canada*, wrote:

> "A more popular approach, adopted, for example, in both recent British and U.S. policy, has been to link the movement of earnings to the trend in national productivity, although some modifications to that rule are also added. For example, if it is estimated that the trend rate of increase of productivity in the economy is about three per cent, the criterion or guidepost for the rate of increases of wages, or, more accurately, of compensation to employees, should be three per cent in all industries."

With none of that do the unions quarrel in principle, and even on the numbers there is close agreement (apart from the disputed issue of the effects of a changing mix of work force that will be dealt with later).

True, the railways claim that year to year averages include high years and low, but surely no one expects wage agreements to jump widely up and down with the year to year vicissitudes. (Heaven knows how high a claim the unions could make on this past year if such a principle were adopted). The logic of things in Canada has surely been to have a comparatively smooth year to year progression in which wages move with the *trend* — not the *short run ups and downs of each year* — in wages.

So we can turn to the three elements of the union claim, on two of which there seems virtually no difference in the parties' positions.

First, the unions claim that all calculations on wage rates nowadays must begin by compensating workers for the changing value of the dollar. If the government can hold prices constant, well and good — the issue disappears. But in a world of inflation, largely imported and outside of Canadian control, the unions claim that the starting point of serious discussion is that they must be paid in real dollars adjusted for inflation. The railway workers begin with the proposition that no one has seriously attacked, that they must get as a beginning the inflation increase that is widely predicted as five to six per cent for each of the years of the contract, and have quoted a figure of 5.45 per cent a year as an estimate of the needed number. I think that figure is conservative given that in the first six months of this year the increase has been at an annual rate of 8.92 per cent. Still, that is the number that has been put in, and no serious counter-figure has been advanced.

The second element in the wage claim is also essentially uncontested. Clearly if there were no inflation, the extra product the economy has would have to be divided up fairly among all social groups. In simple terms, as the pie grows larger, everyone is entitled to an increased piece of the pie, roughly in proportion to how much the pie itself grows. With the inflation factor out of the way, the question is simply how much is the pie likely to grow in its over-all size. The unions, without serious dispute, have claimed it will grow in the next two years at about 3.34 per cent throughout the national economy. All the evidence points to the fact that in the railway industry the growth is likely to be much larger than the 3.34 per cent but the unions have accepted the argument of a host of advisors on prices and incomes policy that the natural starting point is the growth in the *national pie* and have accepted that their natural minimum claim is the 3.34 per cent a year.

It must be observed that if they accepted less, someone else would inevitably get more, particularly those whose incomes come from profits. A pie that grows at 3.34 per cent an hour is fairly divided on that line by giving everyone 3.34 per cent more. It does not mean that only labour gets the 3.34 per cent, but that everyone on the average does. Once again, the number seems conservative, since the national prediction from Ottawa is for 7 per cent over-all real growth, which even with allowance for population* and labour force growth means the 3.34 per cent number is a very limited claim. Again, all of that would seem obvious once the effects of pure inflation had been cancelled out. A real increase in the size of the slice of the pie of 3.34 per cent would strike no one as extravagant once everything had been translated into inflation-free terms.

* No doubt less than 2 per cent a year.

To sum up the wage claim to this point, there is surely no serious objection to the 5.45 per cent for inflation and the 3.34 per cent to produce some fair share in the real increase in the size of the pie. It leaves everyone else in the economy the same numbers to work with for their own claims.

The only seriously contested issue is the third element of the wage claim. That is a pretty technical business, but turns entirely on the fact that the railway labour force of today is *not* the railway labour force of sixteen years ago. In those sixteen years, 3 per cent of the railway labour force has been displaced. That has had two effects. The people who have been let go have on the whole been (a) people in the low paid occupations, and, (b) the people within each occupation of lower qualifications and experience. Had there been no wage increases at all, average hourly earnings would have risen because of "phantom" improvements that simply mean more highly paid and more experienced people were left in the mix, while junior and less experienced people were let go. To take an extreme example, if the railways kept their executives and dropped their labourers, average earnings would go up dramatically without a single penny of increase in wage rates. The extreme case, of course, did not happen, but in reduced form "phantom" increases of that kind have been a real fact in the railway industry.* In manufacturing and durable goods industries, employment has *expanded* rather than *declined* in the drastic fashion of the railways: The effect is in the opposite direction.

A few simple examples will illustrate that last point. The

statistics show that extra gang labourers declined by 75 per cent, helpers to mechanics by 72 per cent, classified labourers by 51 per cent, unclassified labourers by 54 per cent, but professionals increased by 133 per cent.

* The change in mix does not need to be "dramatic" to produce sizeable "phantom" increases, as the later argument shows.

Even that catches nothing of the increased experience *within each occupational* group. When station masters are let go, it is obvious that those with the simpler duties are let go first. Probably that second element is even more important than the changed totals in the groups.

All of that makes clear that there has been a "phantom" increase in earnings that must at some reasonable pace be made good. A direct calculation would be extremely complex. Fortunately, a much simpler computation gives a good idea of the order of the magnitude of the problem.

Average hourly earnings in Canadian manufacturing have for some years been improving relative to the United States. Indeed, the traditional gap between Canadian and American earnings has been narrowing, and the old shorthand that we run about 70 per cent or so of American numbers has been falsified by the steady improvement of the Canadian economy relative to the U.S. In some areas, actual parity has been achieved. In the massive manufacturing sector, the gap has closed so that on the whole we now have about nine tenths, 93 per cent to be exact, of U.S. money earnings. The "phantom" increase in the railway industry shows up very markedly when it is seen that non-operating railway employees get only 82 per cent of the money earnings of their counterparts in the United States.

Several comments are in order. To begin with, the railways claim that there is no group with whom non-operating employees can be compared is evidently false. The most natural comparison is with the parallel set of occupations just across the border. The occupational range is similar. The attrition rate is similar. A comparison that was based on *parity arguments* would clearly run into trouble — but that is not what is being pressed. What is being suggested is to take into account the fact that Canadian manufacturing has 93 per cent of U.S. earnings, while the non-operating railway employees have only 82 per cent of U.S. earnings. That contradicts the natural expectation that railway workers should do better than manufacturing employees since their productivity has much exceeded productivity improvements in manufacturing. Our productivity is much better — our earnings are much worse: that is the consequence of being paid "phantom" increases.

The union calculation shows a catch-up gap of about 13 per cent. That is a direct computation and avoids all the complications of an occupation by occupation weighing. Can anyone reasonably expect one part of our economy, extraordinarily productive, unprecedently burdened by attrition, to accept a less favourable relationship than their colleagues in manufacturing, and not simply unionized manufacturing, but manufacturing in general?

What indeed are responsible labour union leaders to say? The leadership cannot go to its members and tell them to be happy because part of their wages are increasing simply because the low paid and inexperienced people are leaving the work force — the members see the "phantom" quality of the improvement only too clearly.

To recommend a just award in an absolute sense would require adding 5 or 6 per cent for each of the next two years to the firm base of inflation (5.45 per cent), plus national productivity (3.34 per cent). My view is that the sensible thing is to move in stages and to build onto the solid 8.79 per cent another 2 per cent a year in the two-year contract, as a step-by-step device to close about a third of the gap. A claim for absolute justice would prejudice the possibility of making a start on closing the gap in less fair but more realistic terms; everything cannot be remedied at one go. Note by the way that closing the gap would not repay the losses of years now past, but would at least initiate the process of cutting its future consequences, and in a realistic step-by-step way.

Accordingly, to repeat the details, I recommend a general wage increase of:

(a) 5.45 per cent compounded each year to hold real wages constant;

(b) 3.34 per cent compounded each year to provide a fair share in national productivity, and

(c) 2 per cent compounded each year to make a serious start on erasing the gap that "phantom" statistics have allowed to develop.

Those totals come to 10.79 per cent on rates of pay as of December 31, 1972 and 10.79 per cent on rates of pay as of December 31, 1973. As to the division between cents an hour and percentage distribution, I think the choice must be made by the unions, and in any case is not a disputed issue.

There are three other themes on which I wish to comment before leaving the vital area of wages.

The first is the question of whether there is a danger in social terms from a settlement that involves numbers like 10.79 per cent a year. The answer is that the proposed settlement fits exactly the spirit of wage and price guidelines. There is an element for expected inflation, an element for national rather than industrial productivity, and an element for the special circumstances of an out-of-line industry — and no industry can be more special than one that has slashed its work force on behalf of productivity by the 37 per cent the railways have imposed.

The second is a comment on the existence of a comparable industry with which we can compare non-operating railway employees. The railways' general position (after many years of making such comparisons!) is that no such industry exists. There is the vital question of whether like with like actually exists. One would have thought with the parity issue safely out of the way, that non-operating employees in the U.S. and in Canada were about as close as like with the like that could be found in this imperfect world. When that was raised in the hearings it was fascinating to hear a railway spokesman repudiate the suggestion. Why? Because, he said, the railway employees in the United States have suffered *twice* the attrition of their Canadian counterparts; and he then went further to say that this would help undermine the basis of the unions' argument that the non-ops earnings in the U.S. have been moving up faster than in Canada.

In other words, the spokesman admitted the validity of the catch-up principle, but appealed to the facts to show what the numbers tell against the unions. Unfortunately, his numbers were wrong. The statistics show the decrease as about 46 per cent in the U.S. as compared with 37 per cent in Canada. Forty-six per cent is a number very different than 74 per cent. There was no "double rate of attrition," but a reasonably similar rate.

The third comment relates to the position of the unions in a world where their right to true collective bargaining is restricted, as everyone knows, by the fact that Parliament must eventually require them to work, no matter what the conditions of employment are, because of the *essential* nature of the railway industry. Even though the fairness of the durable goods standard has deteriorated over the years because of the changing mix of non-operating employees, it is worth recalling what the experience of the unions has been in an industry where the right to strike is nominal rather than real. Let me recite the commitment the unions thought they have been given many years ago about the objectivity of the standard that would be applied to their claims. I recite the famous declaration on durable goods.

"The 'durable goods' standard was not introduced by the unions but emerged from a study and decision of the National War Labour Board in 1944. The railways adopted and relied upon such standard in their submission to the 1950 Board of Conciliation and later the same year, in their submission to the Kellock Board of Arbitration, saying: 'We again consider that the proper comparison is the whole group of durables industries.' In his award, Mr. Justice Kellock said this:

'All of this merely emphasizes the obvious fact that in comparing railway wage rates with wage rates outside, the comparison should be with those sections of industry in which the nature and variety of employment, the proportions of male and female employees, and the territorial distribution are really comparable. The railway employees here in question are located all across the country in areas where industry is concentrated or agricultural areas where rates are lower, and railway occupations cover a wide range from that of the skilled craftsman to the unskilled labourer, and from the dispatcher to the office boy, the wage structure having been built up by agreement to give effect rather to differences in responsibility and job content than primarily to geographical distribution.

'Without going through the list in detail, a fair comparison on the basis of the factors already mentioned, is, in my opinion, furnished as nearly as may be, by the group of industries falling under the head of "durable goods manufacturing." That section of industry employs probably a higher proportion of skilled workers than is the case with manufacturing generally, and the proportion of female employees is said, on the material before me, to be about the same as in the case of non-operating railway employees. Generally speaking, women in industry can earn less than men, and the proportion of female employees is accordingly an important item in any proper comparison. In 1948, the durable goods industry was used as a basis of comparison for similar purposes in the United States by a presidential board which had to consider problems akin to those arising here.'

"It is clear that the unions then opposed the 'durable goods' standard and opposed it unsuccessfully, while the railways advocated the 'durable goods' standard, and advocated it successfully."

What in fact has happened? In the period 1956-1971 in which non-operating employees have lost 37 per cent of their jobs, employment in durable goods has increased by 17 per cent. In the period in which the mix of employees in the non-operating group has caused the durable goods standard to become less and less fair, even in that period, parity with durable goods has not been maintained. In December of last year, the average hourly earnings of durable goods workers was $3.95. In the same month, the average hourly earnings of non-operating employees was $3.81. Is it any wonder that the workers judge that they have been granted neither continuity of principle nor systematic attention to the technical basis of their claims? And is it any wonder that they attribute the discrimination they suffer in relation to other organized workers to the fact that they are so *essential* that their right to defend themselves against unfair settlement by the processes available to other workers are for them nominal rather than real. More than any other group, they must appeal to the sense of fair play of the Canadian people and the Canadian Parliament.

The Railway Offer (the "Shopcraft" Formula)

The offer of settlement made by the railways consisted basically of the abortive offer they had earlier made to the Shopcrafts.

It is not necessary to go into every reason why the unions found the offer unacceptable. Three points only need emphasis, one of extreme importance in technical principle, the treatment of the costs of the pension improvements in a manner that one imagines must, by a single ill-considered decision, have destroyed the possibility of the offer being taken as a serious starting point for discussions. The unions could do nothing with an "offer" in which (as they argued, and I am certain correctly) the 4.3 per cent pension figure was presented as equivalent to 4.3 per cent in wages, and in that context was not only an exaggeration, but an exaggeration of the grossest kind.

First, then, is the fact that the proposed wage increases would do little for the workers but meet the rising cost of living and at best give them less than half their share in rising national productivity.

Second, there is the fact that *nothing at all* was offered in respect of the vital job security claim.

Third, and this is the pension question, there was the presentation of a 4.3 per cent figure attached to pension benefit improvements; useful improvements, true, but "costed" in an indefensible way and presented as being equivalent to 4.3 per cent increase in wages, for each of the two years.

The computation in such a context is, I think, an absurdity. Extensive extracts from the expert evidence on that theme leads me to that conclusion. The full transcript is worth careful study.

If I read the evidence correctly the 4.3 per cent figure is defective (and on a grand scale) in at least the following ways.

Two-thirds of the pension improvements consisted essentially of improving the benefits that would accrue to certain years of service performed in the period 1956 to the present.

Instead of computing what the *new benefits* would cost, paid for out of "new money," the railways arithmetic simply lumped the *new* liabilities with their vast unfunded liabilities of the past, and so computed costs as though the CNR would earn 7 1/2 per cent on *new* money and the CPR 6 1/2 per cent — arithmetic which intermingled the returns on two quite different obligations, and that for purposes of cost computations on the *new* benefits are obviously quite different in kind. As Mr. Ferguson later in the day testified, "new money" should earn 9 per cent, and it is *new money* the *new benefits* involve.

Does the difference between the 6 1/2 / 7 1/2 per cent and the 9 per cent matter? Mr. Ferguson suggested *each* percentage point of underestimation might well reduce costs by 20 per cent. In the morning session, one of the railway witnesses gave a similar rule-of-thumb — 15 per cent to 20 per cent — but in the afternoon his colleague reserves his judgement to the observation that "rules-of-thumb" were dangerous to quote, given the problems of taking account of age distributions, a point I think that has some merit, though surely it is the railways' business to develop the more exact number rather than the unions', since it is their 4.3 per cent figure that was under review, and that was offered as evidence.

There was then the question of what happens if, in fact, the limits of the Canada/Québec pension plan are raised, say to the $7,800 you, Mr. Minister, have apparently proposed to the provinces.

This is of no small account, since the railway plan is integrated with the public plan, and becomes very much less costly to the railways as the public plan is extended.

Again, it is hard to imagine that the general structure of the public plan will not be raised, and more than once in the next 20 years the railways are using for their computation; and if that is so, all the benefit viz-a-viz the 4.3 per cent figure goes to the railways. Indeed, at the moment, $7,800 is only a little less than the average

earnings of the union employees.

There is then the fact that the 4.3 per cent figure was a computation for *all* insured employees, and not for the employees before the Board. Since the employees before the Board are well below the average railway employees in their earnings, they were not being given a figure reflecting the division between *public* and *private* costs to reflect their earnings but the division of railway workers in general, again an obvious exaggeration of costs.

There is then the further fact that the vast old liabilities of the railways are being amortized over 60 years, but the new over about 20 — something that shows the accounting to be in a substantial degree the artificial representation of rules government at the moment has imposed for financing the two packages of past service. The unions offered to join the railways in a submission to have the 60-year rule used for the whole of the back liabilities. That would again reduce year-to-year costs. There has as yet been no response to the proposal for a uniform funding period.

Finally, and very important indeed, there is the fact that while things like wages are negotiated at fairly short intervals, pension plan changes of any size are in the nature of things negotiated in "lumps" at widely separated intervals. If the true railway costs are, say, fairly estimated at about 2 per cent a year, one must remember that could equally well be reported as a two-tenths of a per cent improvement each year over the past decade rather than as 2 per cent in a single year and nothing for each of the past 10 years. Obviously, it is the average over a period of time that counts, unless one believes that each year each fringe benefit has to be negotiated as a minor fraction to avoid the sort of arithmetic the railways have introduced. The fact is, as Exhibit 78 shows (the Thorne Group Study, to which the CNR and CPR are contributors), when fringe benefits are averaged over the years, the railways provide more or less what the other large organizations do. Had the railways said they have a pretty good pension plan, and made reasonable claims about the new improvements, some counter argument would have no doubt been made that they do rather worse in other areas — but there would have been no serious quarrel that fringes on the average are moving ahead in something like the patterns elsewhere in substantial businesses. The CNR and the CPR are not callous about pensions, or the worst of employers in providing fringe benefits (nor are they the best). But the ridiculous arithmetic of the 4.3 per cent has simply muddied the basis of any rational discussion of what has really been happening.

Other Issues

I turn now to the long list of narrower issues. You will notice that I frequently make use here of what might be called the "referee formula." On most of the issues, I am sure that parties from long experience know much more than any Board can learn in a few weeks how to determine what the fair middle ground is, and would not need our advice at all if the major issues were out of the way. Accordingly, I repeatedly propose that the parties deal with a problem according to their past practice, set up a small working committee for implementation, at the same time name a referee, set a time limit for details to be worked out, and leave the referee to decide what hopefully are minor residual details. But so the recommendations are firm, I add that where the parties cannot agree on a referee, they ask the services of the Department of Labour to name a suitable neutral. Decisions, except as agreed not to be retroactive, shall be effective as of the beginning of 1973. Without going into repetitive detail, it is the process I have always in mind in speaking of the "referee formula" and shall use the phrase as a shorthand.

Shift Premium

The railways' recommendation on this issue is:

> "Effective January 1, 1974, shift differentials of 5 cents and 10 cents an hour will be paid for the afternoon and night shifts respectively; afternoon shifts include all shifts starting between 1500 hours and 2259 hours while night shifts include all shifts starting between 2300 hours and 0559 hours."

I agree with the railways that shift differentials should be paid, but disagree on the amount the railways propose to pay as shift premiums.

The evidence for 1972 has shown that 94 per cent of workers covered by collective agreements in Canadian industry receiving a premium payment in the form of a cents-an-hour differential receive 10 cents or more an hour for second shift work. In 1972, 77 per cent of workers in Canadian Industry receiving a premium payment in the form of a cents-an-hour differential received 15 cents or more an hour for third shift work.

I, therefore, recommend that shift differentials of 10 and 15 cents an hour be paid for the afternoon and night shifts respectively.

Skill Differential

The railways have recommended that "effective January 2, 1974, existing skill differentials of 30 cents an hour (applicable to tradesmen on permanent seniority lists) will be incorporated into basic rates of pay."

I agree with the companies that the existing skill differentials should be incorporated into basic rates of pay. I recommend, however, that the existing skill differential of 30 cents an hour be incorporated into basic rates of pay as of January 1, 1973.

The unions have presented arguments to show that the payment of a skill differential should be extended to other employees who are deserving of it. In the normal course of events the parties as reasonable men would undoubtedly reach agreement on the employees to be added to the list of those receiving a skill differential. A fraction of the claims are no doubt good, a fraction bad.

I recommend that the parties immediately attempt to reach agreement on the issue, using the "referee" principle, and using it with a time limit of November 1st, 1973.

Truck Drivers

The evidence has shown that truck drivers employed by the railways earn an average 41 cents an hour less than *unionized* truck drivers employed by trucking companies in Canada.

I recommend that the truck drivers be given an average increase of 41 cents an hour justified on equity grounds. The division of this average sum between the different groups of truck drivers would be determined by the railway companies and the non-operating railway unions themselves.

I also recommend, however, that truck drivers receive the increase of 8.79 per cent a year for the next two years that is based on cost of living and national productivity trends, and that the 41 cents be regarded as already covering the "catch-up" factor.

Double Time

I recommend that the unions' demand not be granted.

Call-In Pay

In recognition of the fact that an employee once called to work has forfeited his ability to plan productively and utilize a significant amount of his time, I recommend that all agreements shall be amended to provide for a minimum call-in pay of three (3) hours at the prevailing overtime rate.

Overtime as Separate Item

Agreement reached by the parties: there is no issue.

Rates of Pay For Employees Under 21 Years of Age

Agreement reached by the parties: there is no issue.

Pensions

I recommend concurrence with the *improvements in the pension benefits* as agreed to by the parties, though, of course, repeating that I dispute the method used by the companies in calculating the costs of the improvements.

Sick Leave

The railways' position is that there is no justification for a sick leave provision. They argue that "the cost of the demand is tremendously high" and point out that "one of the bigger problems connected with a plan of this type is the tremendous abuse that frequently results."

> The railways have also stated on page 4 of Exhibit 36: "That sick leave, properly understood, is intended only to protect the earnings of the employee during necessary absence from work due to illness or injury; to aid him in meeting his financial commitments when sickness or injury has temporarily taken away the ability to work. It is not meant as a convenient method for getting another day's vacation, extending a weekend or just having a day away from the job, not is it intended to yield a bonus on separation or retirement because of the good fortune of good health."

It is interesting to contrast the concern of the railways with respect to the possibilities of abuse of sick leave by non-operating employees with their actual granting of sick leave for clerical and non-scheduled employees.

J.A. McGuire in his testimony before the Board admitted that sickness benefits are paid to non-scheduled employees. He added that there was "a potential waiting period of 14 calendar days." However, no evidence was presented to show that potential waiting period is in fact applied: statistics showing the reality of the waiting period would seem to me indispensable to the railways' position. Not, of course, was the Board shown any evidence that would lead me to the conclusion that non-operating employees would manifest lower moral standards than non-scheduled employees in respect of the abuse of sick leave. Since non-scheduled employees are granted sick leave, I can see no objection in principle to granting sick leave to non-operating employees on equal terms, and reject the notion of a double standard.

Since the railways are disturbed by the high cost of a sick leave provision under which employees accumulate sick leave credits and unused credits are paid to the employee in a lump sum upon retirement or on separation from company service, and since indeed such cumulations can be computed as being costly in principle, I recommend the following very limited sick leave provision which contains no accumulation of credits nor payment for unused credits for the employees before this Board:

(1) Each employee represented before this Board shall be entitled to a *maximum* of six (6) days paid sick leave per annum. Any unused days at the end of the year shall be forfeited by the employee.

(2) Each employee shall provide his employer with a medical certificate certifying that the employee was sick during the day or days the employee was on sick leave.

(3) Additionally, the companies are free to institute any other measure they find necessary to control the possible abuse of sick leave, subject only to arbitration of any measure of control that is unreasonable in the view of the unions involved.

EMPLOYEE BENEFIT PLAN

Weekly Indemnity

If the sick leave proposal is not accepted, I would alternatively recommend that the weekly indemnity allowance be increased to $15 for each employee each month. The recommendation for sick leave makes an increase in the weekly indemnity allowance less necessary. I would therefore, in those circumstances with the sick leave proposal granted as above specified, recommend that the weekly indemnity allowance remain as it now is.

Medicare Allowance

Since no evidence was presented to show that the present arrangement is unsatisfactory, I recommend that the unions' demand not be granted and that the present arrangement be continued.

Life Insurance

Canadian National Railways provide $10,000 life insurance coverage to the beneficiary of a railroad employee killed on duty. It would seem to me that the protection accorded to beneficiaries should be independant of the cause of death.

I recommend that life insurance coverage be made general to provide $10,000 for all active employees, and $1,000 for retired employees, and should include a reasonable provision for disability insurance.

VACATIONS

On page 3 of exhibit 44 the railways stated that they "accept that while their vacation provisions may compare favourably in some respects with outside industry there is room for improvement in specific areas." In recognition of that they offered, during negotiations, the following improvements.

3 weeks after 7 years in 1973

after 6 years in 1974
4 weeks after 16 years in 1974
5 weeks after 26 years in 1974.

I agree with the railways that there is room for improvement. I disagree on their actual proposal. The evidence presented by the railways in exhibit 44 on pages 2 and 3 clearly shows that of workers in Canadian industry (as reported by the Canada Department of Labour Data Bank for March, 1973) who are entitled to three, four and five weeks vacations, 69 per cent are entitled to a three-week vacation after 5 years, 67 per cent are entitled to a four-week vacation after 15 years and 61 per cent are entitled to a five-week vacation after 25 years.

The statistical evidence shows that relatively few workers are covered by a six-week vacation provision. This may well be due to the fact that there are not very many workers in industries with as many long service employees as the railways. The railways, however, do have a number of such older employees, and with 30 years of service a six-week vacation would be fitting recognition for their loyal and lengthy service.

I therefore, recommend the following as of 1973:

3 weeks vacation after 5 years service
4 weeks vacation after 15 years service
5 weeks vacation after 25 years service
6 weeks vacation after 30 years service

(a) **Deferment of Scheduled Vacation Date**

The railways have stated on page 5 of exhibit 44 that:

> "The vast majority of employees are released for vacations as assigned, months in advance. Vacations are postponed by the company only when the employee cannot be released without a suitable replacement and such suitable replacement is not available. When it is necessary to change a vacation date the employee is given as much advance notice as he can be."

I would expect the railway to continue that practice and accordingly recommend that the unions' demand not be granted.

(b) **Vacations Between May 1 and September 30**

The railways state on page 6 of exhibit 44 that:

> "Most collective agreements within the railway industry already provide, and the pattern is, that while vacations may be spread over the year, as many as practicable will be granted during the summer season."

I would expect the railways to continue this practice and accordingly recommend that the unions' demand not be granted.

(c) **Prepayment of Vacation Pay**

Agreement reached by the parties: there is no issue.

(d) **Vacancies Created Account of Annual Vacations**

No evidence was presented to show that the present arrangement caused undue hardship. I therefore recommend that the unions' demand not be granted, and that present practice continue.

(e) **Computation of Service for Vacation Purposes**

No evidence was presented to show that the present situation causes undue hardship. I recommend that the unions' demand not be granted and that present practice should continue.

General Holidays

Statistics taken from the Canada Department of Labour Data Bank show that the present number of general holidays is within the accepted norm in Canada. I recommend that the unions' demand for an additional general holiday not be granted. As to the remainder of the issue

(a) I recommend that from January 1, 1973 employees required to work on a holiday be paid at time-and-one-half plus holiday pay with a minimum of 5 hours and 20 minutes in addition to holiday pay; and,

(b) recommend that an employee not be disqualified from holiday pay if he is unable to report for work because of illness supported by a doctor's certificate.

Bereavement Leave

Agreement reached by the parties: there is no issue.

Bilingualism

The federal Government, at present, provides a 7 per cent bilingual premium for certain positions in which the employee is required to use the second language at least 10 per cent of the time.

The same sort of progressive action should be undertaken by the national railways of Canada. As a member of an entirely English-speaking Board of Conciliation, I would be delinquent if I did not point out my personal agreement with programs and policies to encourage bilingualism

The cost implications of that recommendation might worry some observers who are of the opinion that the premium would be paid to a large number of employees. I am of the opinion that the premium would be paid to not more than one per cent (1 per cent) of the employees involved, and that the limit is ample for realistic application of the bilingualism principle.

I accordingly recommend that the incumbent or successful applicant in a position requiring the knowledge of the two official languages be paid a premium of 10 per cent of the basic rate of that position with the proviso that not more than 1 per cent of all employees shall receive such a premium.

Picket Lines

I recommend the following policy, which slightly modifies the instruction already in force on the CNR:

> "When required by the company, employees must make deliveries or pick-ups through picket lines unless they are forcibly stopped or exposed to a threat of violence."

Travel Time and Expenses

I recommend the "referee formula" using again the November 1 date.

Clothing

I recommend the "referee formula" using again the November 1 date.

Loss of Wages in Emergent Situation

Canadian National has a policy with respect to such situations as outlined in Exhibit 39 of the railway submission. I recommend that policy be extended to cover all railways.

Northern Allowance

I recommend the "referee formula" using again the November 1 date.

Automobile Mileage Allowance

I recommend that all collective agreements that contain an automobile mileage allowance, be amended to provide the same automobile mileage allowance that is granted to Canadian National's non-scheduled employees as set out in the Supervisors' Personnel Manual-Canada, Section 13/1, March 29, 1973.

Negotiations During Term of Contract

The parties have agreed that the present method of multi-employer and multi-union form of collective bargaining should be retained. The unions, however, wish to ensure that individual situations *needing* adjustment should not be over-looked. The present clause is restrictive in that it excludes from the parameters of joint collective bargaining any issue "...which is not related to the determination of pay." If one wishes, it is possible to relate almost any conceivable item to the issue of pay.

I am of the opinion, therefore, that clause 2 of Article IX of the master agreement should be amended to read as follows:

> "2. A demand submitted by an individual union which is not and could not be of common interest to all the other unions engaged in concerted negotiations."

Termination and Renewal

I recommend that the new agreement continue into effect until December 31, 1974, subject to sixty days' notice by either party which may be given at any time subsequent to October 31, 1974.

Qualifications Being Equal, Seniority Shall Govern

The railways proposed that existing collective agreements be amended to read:

> "Amend promotion rules to provide that promotion shall be based on *qualifications* for the job to be filled and seniority; qualifications being equal, seniority shall govern. The officer of the company in charge shall be the judge, subject to appeal, such appeal to be made in writing within fourteen calendar days of the appointment."

Counsel for the unions filed with the Board as exhibits extracts from the relevant collective agreements. These exhibits showed that the railways presently have the opportunity of selecting the senior applicant who has the qualifications required to perform the work.

In other words, seniority is not the sole determinant in the awarding of positions. Accordingly, I recommend that the company demand not be granted, since I am satisfied that the opportunities open to the railways for selecting qualified applicants are already satisfactory.

Ceiling on Job Security Fund

Unless and until an agreement on job security is reached, I would make no recommendation on that demand.

The Procedural Issue on Pensions and "Catch-Up"

The Board, as you know, determines procedure. In that connection, it met on Monday, June 18, in Mr. Munroe's rooms to establish the ground rules for the proceedings. No difficulties were experienced, and as the record shows, the parties, despite the differences between them, behaved with the good humour and courtesy to each other and the Board that makes railway disputes civilized debates about the facts rather than bitter battles of rhetoric.

On only one other occasion, to the best of my recollection, did the Board have to make a formal decision about procedure. At the end of the mediatory process, I raised formally with my colleagues the question of seeking the neutral informed advice on the two vital technical questions that had given us all so much trouble: the "4.3 per cent pension calculation that appeared in the railway offer of settlement and the question of whether or not the changed mix of railway employment had established a substantial "catch-up" factor, a theme that came to be known in the hearings as the "phantom increase" issue – earnings increasing simply because lower paid and less experienced employees were displaced (as the unions argued) at a greater rate than higher paid and more experienced employees.

I formally asked my colleagues to determine whether to bring in neutral, technically competent assistance to help us with the issues. I regret to report I was voted down on the procedural proposal. The reasons for my colleague's decision are, of course, theirs to report – I do not, for a moment, dispute that their judgement on the matter was as well intentioned as my own.* Still, the unions were bound, by their own request on the issue, to accept the consequences of this further search for technical fact, and could not complain if the search took time. True, the issues were issues on principle that could hardly have taken a professional economist and a professional investment counsel any significant amount of time to determine. All that had been asked for by the unions was neutral, technical opinion, removed in its source from any of the parties (including, of course, the government which owns the CNR) and obtained otherwise from whatever experts the chairmen would choose.

* All our informal and mediatory discussions were privileged, but I hope I do not go beyond our commitment to each other on this to stress that our difference on the procedural point turned only on how best to help the parties, and was not a contest; relationships were always amicable, and procedure always correct and fair.

My regret is that neutral informed opinion we did not acquire might have gone far to narrow the gap that eventually events in one way or another will certainly close. Obviously, I think the unions are substantially right on both issues, since on the technical argument before us I saw little the railways offered by way of even superficial rebuttal. But a union nominee cannot simultaneously offer himself as the kind of totally detached, independent expert capable of giving the wholly detached advice that was needed. But he can fairly observe his firm belief that if a figure of 4.3 per cent is a preposterous exaggeration in the context in which it was offered, and can note that railway witnesses gave ground on point after point about the 4.3 per cent figure, he does not go beyond his public duty to ask for neutral informed advice to be sought by the Board. The differences in logical principle are very great. It is not a matter of one line of argument being a little less or more exaggerated than the other: one line was *fundamentally* wrong, the other *fundamentally*

right. The question could not be left in limbo, nor would it have served to have a report that dealt with such factors by vague verbiage that said we have looked at this and have, in some unspecified intuitive way, taken it all into account.* By how much would we have taken it into account? What is the effect of one line being right and the other wrong? Quantification, in at least broad terms, is needed, not pieties that list factors without saying whether they mean much or little. Why, then, are they not explored? Why, then, are they not tested?

* Reports in the past have often used this at times useful vagueness, but I think here our problem was about vital issues that could not be assessed without a decisive test of principle.

Surely, the railway offer identified as the "Shopcraft" formule is altogether different in its degree of "fairness" according to what the technical merits of the "4.3 per cent pension figures are, and according to what the technical merits of the "phantom" earnings figures are. Surely, too, the dangers of a totally unnecessary crisis are enhanced by disputes on technical principle that both sides have to live with once the logic of the technical principles are determined.

Some Suggestions on Avoiding an Unnecessary Confrontation

You will, Mr. Minister, perhaps accept these final few sentences as being advice that is intended to reduce rather than aggravate tensions.

Time is surely of the essence. Responsible union leaders are under daily pressure to show fighting leadership. The railway workers feel cheated by inflation. They fear for their jobs. They believe they are steadily falling behind the standards of other unionized workers. My view is that there are at least two things that can be done in the days of grace we all have.

My strong view on job security is that an agreed formula is now more a matter of skill in working out mechanics than an intractable quarrel over substance. Employees with a certain seniority must be relieved of the fear that they will be thrown on the street – but there is ample room for the formula to be found. You have my own version of what I think would work. Better versions may occur to your advisors, provided something operational and effective rather than vague and indeterminate is contrived; but the issue, I am confident, is manageable.

On the wage/pension business, I would implore you to do what the Board did not do, namely, to get visibly neutral advice (which, I am afraid must exclude advice from within the governmental sector because of the position of the CNR) – but leaves a wide world of choice still available from which neutral experts can be found to clarify what the facts are. Ask such advisors to go over the transcript and evidence on the "4.3 per cent and on the "phantom" and catch-up issues. The workers, the companies, and the public at large can live with the facts, however the facts come out. But not to explore the facts undermines the credibility of the whole conciliation procedure; it sets up a contest in which irresponsibility is given a favoured position against responsibility; it sets the ground for work stoppages that in the end must subtract from the whole of the Canadian economy.

I am not pleading that advice be found that will prove the unions are right, though admittedly that is what I think experts will tell you. I am pleading that the expert advice be sought, and sought with the urgency the situation demands. Only a few days would be needed.

The facts can be lived with. I have reported my view as fairly as I can, but accept that a union nominee is in that context not a neutral's "neutral." But I repeat and re-emphasize that the facts are not some trivial stepping-stone to some seat-of-the-pants settlement. They count here, and they count very, very much.

One final word: you will have seen the latest cost of living indices. It seems to me obvious that where inflation cannot be overcome, then common justice demands compensation for its effects. The wage proposal of 10.79 per cent leaves very little for all real improvements once inflation has been cancelled from the wage claim. There is no bargaining room left after the 15 per cent has been brought down to less than 11 per cent with inflation running at current rates.

J. C. Weldon,
Union Nominee

Employee Benefit Plan

Weekly Indemnity: The weekly indemnity allowance shall be increased to $15.00 per employee per month, to be used to improve the present weekly indemnity benefits.

Medicare Allowance: The Medicare allowance shall be increased to $22.00 per employee, per month, to cover basic hospital, medical and surgical benefits for employees covered by this Notice.

Life Insurance: Life Insurance coverage shall be increased to provide $10,000.00 for active employees, and $1,000.00 for retired employees and include a provision for disability insurance.

Vacations

All Collective Agreements shall be revised to grant vacations with pay on the following basis:

Three weeks after five years' service
Four weeks after ten years' service
Five weeks after twenty years' service
Six weeks after twenty-five years' service

After twenty-five years one day shall be added for each additional year of service

(a) An employee who is entitled to vacation shall take same at the time scheduled; if, however, it becomes necessary to defer an employee's scheduled vacation dates, he shall be given at least fifteen working days' advance notice of such deferment and will be paid double time for all work performed during his scheduled vacation dates and will be granted vacation with pay to which he is entitled at a later date.

(b) Employees will be granted vacation between May 1 and September 30, unless the employee requests otherwise. Employees required to take their vacation outside those months will be allowed one additional week vacation with pay.

(c) An employee prior to taking his vacation shall at his option be allowed to collect in whole or in part the vacation pay to which he is entitled.

(d) Vacancies created on account of annual vacation shall be filled for the duration of such vacancies.

(e) Amend all Collective Agreements to provide "time off duty on account bona fide illness, injury, to attend Union Committee meetings, call to Court as a witness or for jury duty, not exceeding a total of one hundred (100) working days in any calendar year, shall be included in the computation of service for vacation purposes".

General Holidays

All collective Agreements shall be amended to provide for one additional General Holiday, and

(a) Payment for work performed on General Holidays shall be at double the regular rate of wages, with a minimum of eight (8) hours in addition to the holiday pay.

(b) An employee will not be disqualified from holiday pay if he is unable to report for work because of illness.

Bereavement Leave

Bereavement Leave provisions in all Collective Agreements shall be revised to provide for (5) working days' bereavement leave and to include Brothers and Sisters.

Bilingualism

All Agreements shall be amended to provide that no position will be established or designated as being a position requiring a knowledge of the two official languages without prior agreement with the Union. On any such position so agreed to, the incumbent or the successful applicant will be paid a premium of 10 per cent of the basic rate of that position.

Picket Lines

All existing Collective Agreements shall contain a provision that an employee will not be disciplined for refusing to cross a legal picket line which is recognized by the Union.

Travel Time and Expenses

All Collective Agreements shall be revised to provide for full payment of away-from-home expenses (meals, lodging, etc.).

All time travelling outside regular assigned hours on rest days and general holidays shall be paid at the prevailing overtime rate.

Waiting and travelling time shall end and/or begin at the work location and/or home station.

Clothing

The Railways shall provide uniforms to all drivers (P & D Drivers, Highway Drivers (Motormen)) free of charge. When the type of work performed by any employee requires the wearing of gloves, mitts, safety shoes, ski-doo suits, coveralls, rubber boots, raincoats, helmets or safety glasses, the Company will supply such articles at no cost to the employee.

Loss of Wages in Emergent Situation

When employees are unable to report for duty due to weather conditions, or when requested by authorities not to report for any reason, they shall be paid for all time lost.

"Northern" Allowance

All existing Collective Agreements to contain a provision for Northern living allowance to be paid to all employees working in areas where such allowances are paid to Government employees.

Automobile Mileage Allowance

All Collective Agreements which contain an automobile mileage allowance, shall be amended to read twenty (20) cents per mile.

Negotiations During Term of Contract

Article IX of the Master Agreement dated May 14, 1971 shall be included in a subsequent Master Agreement negotiated as a result of this Notice.

Termination and Renewal

Collective Agreements between the Railways and the Organizations signatory thereto affected by this Notice shall be amended to conform with these proposals and shall continue in effect until December 31, 1974, subject to sixty days' notice by either party, which may be given at any time subsequent to October 31, 1974.

It is requested that this matter be dealt with in joint conference with the Railways who were parties to the Master Agreement dated May 14, 1971 and on whom similar Notices are being served, and the various Organizations listed hereunder, on a National basis.

1. Brotherhood of Maintenance of Way Employees
2. Brotherhood of Railway, Airline and Steamship Clerks, Freight Handlers, Express and Station Employees
3. International Brotherhood of Firemen and Oilers, Helpers, Roundhouse and Railway Shop Employees
4. United Telegraph Workers
5. Brotherhood of Railroad Signalmen
6. Transportation-Communication Division BRAC
7. Brotherhood of Sleeping Car Porters, Train, Chair Car, Coach Porters and Attendants
8. Canadian Brotherhood of Railway, Transport and General Workers

It is desired that an early conference be held, in any event not later than November 21, 1972. Will you please confer with the other Railways and advise as to the date on which it will be agreeable to meet with the Joint Negotiating Committee, with a copy to

Mr. R. C. Smith, Chairman
550 Sherbrooke Street, West, Suite 690
Montreal 111, Québec

Mr. H. A. Stockdale, Secretary
1411 Crescent Street, Room 508
Montreal 107, Québec

PART B — Demands Served By The Companies

On *November 1, 1972* CP Rail and Canadian National Railways served the following notice, which was addressed to the Chairman,

Negotiating Committee, Associated Non-Operating Railway Unions:

"Please accept this notice as desire to revise all collective agreements coming within the jurisdiction of your Negotiating Committee in accordance with the following proposal to become effective January 1, 1973:

Amend promotion rules to provide that promotion shall be based on qualifications for the job to be filled and seniority; qualifications being equal, seniority shall govern. The officer of the Company in charge shall be the judge, subject to appeal, such appeal to be made in writing within fourteen calendar days of the appointment.

The wording of the Company demand is not necessarily contract language.

We suggest that a meeting to discuss this demand be held at 10:00 a.m., *November 14, 1972* in the Labour Relations Conference Room, 7th Floor, Canadian National Railways Headquarters Building, Lagauchetière Street, West, Montreal.

Yours truly,

(Signed) G. H. BLOOMFIELD
Assistant Vice-President
Labour Relations
Canadian National Railways

(Signed) IAN WYDER
Assistant Vice-President
Industrial Relations
CP Rail

On *November 1, 1972* CP Rail and Canadian National Railways jointly served the following notice, which was addressed to the Chairman, Negotiating Committee, Associated Non-Operating Unions, and to the President, Secretary-Treasurer, Division No. 4, Railway Employees' Department:

APPENDIX C: EXTRACT FROM C.N.R. ACTUARIAL REPORT (MERCER)

Rates of Termination and Salary Scale

Employees with less than 10 yrs of service

Number of Full Years of Service	Proportion of employees assumed to terminate service within one year	
	Employees joining before age 30	Employees joining at age 30 or over
0	.25	.23
1	.20	.18
2	.15	.13
3	.12	.10
4	.10	.08
5	.08	.06
6	.06	.05
7	.05	.04
8	.04	.03
9	.03	.02

Merit Increase Scale

Number of Full Years of Service	Employees joining before age 30	Employees joining at age 30 or over
0	1.000	1.000
1	1.095	1.080
2	1.165	1.145
3	1.221	1.197
4	1.268	1.239
5	1.307	1.271
6	1.338	1.297
7	1.362	1.317
8	1.380	1.332
9	1.392	1.343
10	1.400	1.350

APPENDIX C*: EXTRACT FROM C.N.R. ACTUARIAL REPORT (MERCER)

Rates of Decrement in Service

Age	Rate of Mortality	Rate of Termination	Rate of Disability Retirement	Rate of Early Retirement	Scale of Merit Increases
(1)	(2)	(3)	(4)	(5)	(6)
25	.0006	.026			1.000
26	.0006	.027			1.025
27	.0006	.027			1.047
28	.0007	.027			1.067
29	.0007	.027			1.085
30	.0008	.027			1.100
31	.0008	.027			1.113
32	.0009	.027			1.125
33	.0009	.025			1.136
34	.0010	.023			1.146
35	.0010	.021			1.155
36	.0011	.019			1.163
37	.0012	.017			1.171
38	.0013	.016			1.178
39	.0014	.015			1.185
40	.0015	.012			1.190
41	.0017	.011			1.195
42	.0019	.010			1.200
43	.0021	.009			1.205
44	.0024	.008			1.210
45	.0027				1.215
46	.0031				1.219
47	.0035				1.223
48	.0039				1.227
49	.0044				1.231
50	.0049		.001		1.235
51	.0055		.002		1.239
52	.0060		.003		1.243
53	.0066		.004		1.246

54	.0073	.005		1.249
55	.0079	.007	.003	1.252
56	.0086	.009	.006	1.254
57	.0093	.012	.010	1.256
58	.0101	.015	.015	1.258
59	.0109	.020	.020	1.260
60	.0117	.025	.025	1.262
61	.0127	.030	.030	1.263
62	.0136	.035	.040	1.264
63	.0147	.040	.060	1.265
64	.0160	.045	.080	1.266

APPENDIX D

COST OF LIVING AS OF JUNE 30, 1973

COST OF LIVING INDEX

June	1972	138.5
December	1972	143.3
January	1973	144.5
February	1973	145.3
March	1973	145.7
April	1973	147.3
May	1973	148.4
June	1973	149.7

The increase in the Cost of Living Index from January 1, 1973 to June 30, 1973 (i.e., the first six months of the new Agreement) was 4.46%.

$$\frac{149.7 - 143.3}{143.3} \times 100.0 = 4.46\%$$

This increase of 4.46% for a six-month period, if projected over calendar year 1973, equals 8.92%.

Increase in *money* earnings per hour needed merely to maintain the same *real* earnings per hour as of December 31, 1972

--- Actual money earnings per hour 1972 = 381.1 cents

--- Consumer price index December 1972 = 143.3

--- Real earnings per hour December 1972 $= \frac{381.1}{143.3} \times 100.0 = 265.9$ cents

--- Required *money* earnings per hour to maintain the same *real* earnings per hour as of December 31, 1972 $= 265.9 \times \frac{149.7}{100.0} = 398$ cents

The increase in *money* earnings per hour needed merely to maintain the same *real* earnings per hour as of December 31, 1972 is 16.9 cents for the first six months of 1973. This increase of 16.9 cents for the first six months, if projected over calendar year 1973, equals 33.8 cents.

The actual increase in the cost of living in the past year (June 1972 to June 1973) was 8.08%.

APPENDIX E

TABLE VIII

Occupational Distribution of Railway Employees[1]
1956-1966 (Annual Average)

Occupation[2]	1956 No	1956 No.	Percentage Change 1966/1956
I General Administrative and Office			
1. Managerial and Supervisory	6,485	6,189	-4.6
2. Professional, technical and staff assistants	2,285	4,829	111.3
3. Chief clerks, assistant chief clerks, and office supervisors	1,769	1,643	-7.1
4. Clerks and related occupations	21,569	16,972	-21.3
5. Foremen, assistant foremen, and sub-foremen – stores	207	272	31.4
TOTAL (1-5)	32,315	29,905	-7.5

Table VIII (Cont'd)

	1956 No.	1966 No.	Percentage Change 1966/1956
II Food Maintenance			
6. Bridge and building foremen	633	494	-22.0
7. Extra gang and snow plow foremen	450	385	-14.4
8. Section foremen	5,867	3,784	-35.5
9. Signal and electrical transmission foremen	83	103	24.1
10. Bridge and building tradesmen and bridge operators	4,055	2,893	-28.7
11. Work equipment operators, maintainers and mechanics	1,386	1,399	17.9
12. Work equipment helpers		235	
13. Signal and interlocker maintainers and mechanics	979	863	43.2
14. Signal helpers and apprentices		539	
15. Bridge and building helpers	449	186	-58.6
16. Sectionmen, crossing watchmen, and gatemen	18,510	10,390	-43.9
17. Bridge and building, signal and work equipment labourers	994	414	-58.4
18. Extra gang labourers	6,906	2,346	-66.0
TOTAL (6-18)	40,312	24,031	-40.4
III Equipment Maintenance			
19. Blacksmiths and boilermakers	1,669	724	-56.6
20. Carmen-coach, locomotive & freight	11,945	9,093	-23.9
21. Electrical workers, linemen and groundmen	2,060	2,031	-1.4
22. Machinists and moulders	5,306	3,396	-36.0
23. Pipefitters and sheet metal workers	1,608	1,309	-18.6
24. Stationary engineers	883	118	-67.2
25. Stationary firemen & oilers		172	
26. Apprentices	2,007	1,376	-31.4
27. Helpers to mechanics	9,421	3,472	-63.1
28. Coach cleaners	2,150	1,133	-47.3
29. Classified labourers	4,677	2,293	-51.0
30. Unclassified labourers	2,965	3,689	-43.0
TOTAL (19-30)	44,691	26,806	-40.0

IV **Transportation**

31. Train despatchers and traffic supervisors	649	553	-14.8
32. Supervisory agents and assistants	609	367	-39.7
33. Foremen and assistant foremen in freight sheds	658	426	-35.3

Table VIII (Cont'd)

	1956 No.	1966 No.	Percentage Change 1966/1956
34. Checkers (car and freight)[3]		1,349	
35. Station agents, telegraphers, caretaker agents and levermen	7,158	4,577	-36.1
36. Baggage and station attendants	1,045	752	-28.0
37. Sleeping and parlour car conductors	275	160	-41.8
38. Sleeping and parlour car porters and other train attendants	1,554	967	-37.8
39. Revenue motor vehicle drivers and helpers[4]		1,690	
40. Freight handlers and freight shed operators	5,989	5,644	-5.8
41. Dining car stewards, chefs and cooks	1,848	933	-6.2
42. Dining car waiters and kitchen helpers		801	
43. Restaurant managers, chefs and cooks	622	27	-91.2
44. Restaurant waiters and kitchen helpers		26	
45. Motor vehicle mechanics[4]	.	49	
46. Garage servicemen and helpers to mechanics[4]	.	38	
47. Transportation labourers	1,202	1,285	6.9
48. News agents	148	109	-26.4
49. Floating equipment employees	1,224	607	-50.4
Sub-Total (31-49)	22,981	20,360	-11.4
50. Yardmasters and assistant yardmasters	818	727	-11.1
51. Switchtenders	391	215	-45.0
52. Hostlers	812	312	-61.6
Sub-Total (50-52)	2,021	1,254	-38.0
53. Road passenger engineers and motormen	1,082	639	-40.9
54. Road freight engineers and motormen	3,671	2,546	-30.6
55. Yard engineers and motormen	2,092	1,992	-4.8
56. Road passenger conductors	836	481	-42.5
57. Road freight conductors	2,686	?,376	-11.5

Table VIII (Cont'd)

	1956 No.	1966 No.	Percentage Change 1966/1956
58. Road passenger firemen and helpers	1,088	429	-60.6
59. Road freight firemen and helpers	4,185	1,992	-52.4
60. Yard firemen and helpers	2,278	823	-63.9
61. Road passenger brakemen and baggagemen	2,007	1,024	-49.0
62. Road freight brakemen	6,769	5,104	-24.6
63. Yard foremen and car retarder operators	2,186	2,221	1.6
64. Yard helpers	5,444	4,427	-18.7
Sub-Total (53-64)	34,324	29,054	-15.4
TOTAL (31-64)	59,326	50,668	-14.6
V **Miscellaneous**			
65. Constables and policemen	995	1,044	4.9
66. Storemen (non-clerical)	2,319	1,214	-24.2
67. Stores labourers		554	
68. General office service attendants	1,305	243	-81.4
69. Miscellaneous tradesmen and service vehicle operators	396	240	-39.4
TOTAL (65-69)	5,015	3,295	-34.3
TOTAL (1-69)	181,659	134,705	-9.8
VI **Other Operations**			
70. Express	11,628	6,265	-46.1
71. Highway Transport (rail)	907	291	-67.9
72. Telecommunications	10,407	8,635	-17.0
73. Outside operations	8,927	6.117	-31.5
TOTAL (70-73)	31,239	21,308	-31.7
GRAND TOTAL (1-73)	213,528	156,013	-27.0

Footnotes

1 Class I and II railways, — the Canadian National Railways and the Canadian Pacific Railway Company (Class I), and 19 roads having average gross revenues of $500,000 or more annually (Class II). Roads with gross revenue of less than $500,000 annually, and terminal, bridge, tunnel and pullman companies, classified as Class III and IV carriers, are not included. In 1965 Class III and IV carriers employed a total of 581 workers, compared with 1,197 in 1956. **All Railways** employed 215,324 in 1956, compared with 154,832 in 1965.

[2] **Definition of major categories of functions**

General Administrative and Office encompass functions relating to Research and Development, Personnel and Labour Relations, Accounting and Finance, Purchases and Stores, Sales, Traffic, Investigation, etc.

Road Maintenance involves occupations concerned with the construction and maintenance of track, structure, and signal installations.

Equipment Maintenance involves occupations concerned with the maintenance and service of all motive power, car, shop, and power plant equipment.

Transportation involves all occupations concerned with the movement of trains: the scheduling, dispatching, and operating trains and ancillary services, the operation of terminal facilities and distribution of cars and motive power; and the movement of merchandise by means of the integration of express and less than carload operations.

Express – involves those who are concerned entirely with the express operations (Non-integrated express operations).

Highway Transport (Rail) involves those engaged in cartage and highway services ancillary to railway operations, but not integrated to rail operations.

Outside Operations – those involved in non-rail operations, such as hotel.

[3] Their number in 1956 is not given. In the 1956 classification they were grouped in with "telephone switch operators, office boys and sorters".

[4] These classifications include employees engaged in integrated express, Cartage and Highway Transport (rail) services.

Source: D.B.S., **Railway Transport**, Part IV (Catalogue No. 52-212). The 1966 data were adjusted to the old classification.

APPENDIX E (Continued)

TABLE 2-1

PERCENTAGE CHANGE IN NUMBER OF EMPLOYEES – CLASS I AND II RAILWAYS

1966 – 1971

Div No.	Occupational Classification	Average Number of Employees 1966	1971	Per cent Change 1966-71	Average Yearly Per cent Change 1966-71
	GENERAL				
01	Managerial and supervisory	1,475	1,392	- 5.6	- 1.12
	staff assistants	2,623	2,752	+ 4.9	+ 0.98
	staff assistants				
03	Chief clerks, assistant chief clerks & office supervisors	1,100	989	- 10.1	- 2.02
04	Clerks & related occupations	8,786	7,299	- 16.9	- 3.38
05	Foremen, assistant foremen and sub-foremen, stores	272	220	- 19.1	- 3.82
06	Miscellaneous tradesmen and service vehicle operators	240	246	+ 2.5	+ 0.50
07	Constables and policemen	1,044	942	- 9.8	- 1.96
08	Storemen (non-clerical)	1,214	1,140	- 6.1	- 1.22
09	Stores labourers	554	407	- 26.5	- 5.30
10	General office service attendants	243	186	- 23.5	- 4.70
	TOTAL	17,551	15,573	- 11.3	- 2.26
	ROAD MAINTENANCE				
11	Managerial and supervisory	1,121	1,131	+ 0.9	+ 0.18

Div. No.	Occupational Classification	Average Number of Employees 1966	1971	Per cent Change 1966-71	Average Yearly Per cent Change 1966-71
12	Professional, technical and staff assistants	967	1,005	+ 3.9	+ 0.78
13	Clerical	642	556	- 13.4	- 2.68
14	Bridge & building foremen	494	414	- 16.2	- 3.24
15	Extra gang and snow plow foremen	385	323	- 16.1	- 3.22
16	Section foremen	3,784	2,471	- 34.7	- 6.94
17	Signal and electrical transmission foremen	103	109	+ 5.8	+ 1.16
18	Bridge and building tradesmen and bridge operators	2,893	2,150	- 25.7	- 5.14
19	Work Equipment operators, maintainers & mechanics	1,399	1,783	+ 27.4	+ 5.48
20	Signal and interlocker maintainers and mechanics	863	904	+ 4.8	+ 0.96
21	Bridge and building helpers	186	119	- 36.0	- 7.20
22	Work equipment helpers	235	183	- 22.1	- 4.42
23	Signal helpers & apprentices	539	498	- 7.6	- 1.52
24	Sectionmen, crossing watchmen and gatemen	10,390	6,940	- 33.2	- 6.64
25	Bridge & building, signal & work equipment labourers	414	285	- 31.2	- 6.24
26	Extra Gang labourers	2,346	1,751	- 25.4	- 5.08
	TOTAL	26,761	20,622	- 22.9	- 4.58
	EQUIPMENT MAINTENANCE				
27	Managerial and supervisory	2,492	2,542	+ 2.0	+ 0.40
28	Professional, technical and staff assistants	623	600	- 3.7	- 0.74
29	Clerical	944	797	- 15.6	- 3.12
30	Blacksmiths & boilermakers	724	666	- 8.0	- 1.60
31	Carmen – Coach, locomotive and freight	9,093	8,710	- 4.2	- 0.84
32	Electrical workers, linemen and groundmen	2,031	2,052	+ 1.0	+ 0.20
33	Machinists and moulders	3,396	3,427	+ 0.9	+ 0.18
34	Pipefitters and sheet metal workers	1,309	1,170	- 10.6	- 2.12
35	Stationary engineers	118	107	- 9.3	- 1.86
36	Helpers to mechanics	3,472	2,620	- 24.5	- 4.90
37	Apprentices	1,376	1,723	+ 25.2	+ 5.04
38	Stationary firemen & oilers	172	145	- 15.7	- 3.14
39	Coach cleaners	1,133	756	- 33.3	6.66
40	Classified labourers	2,292	2,325	+ 1.4	+ 0.28
41	Unclassified labourers	1,689	1,359	- 19.5	- 3.90
	TOTALS	30,864	28,999	- 6.0	- 1.20
	TRANSPORTATION				
42	Managerial and supervisory	1,101	1,196	+ 8.6	+ 1.72
43	Supervisory & assistant supervisory agents	367	351	- 4.4	- 0.88
44	Professional, technical and staff assistants	616	968	+ 57.1	+ 11.42

Div. No.	Occupational Classification	Average Number of Employees 1966	1971	Per cent Change 1966-71	Average Yearly Per cent Change 1966-71
	TRANSPORTATION (continued)				
45	Train despatchers and traffic supervisors	553	556	+ 0.5	+ 0.10
46	Chief clerks and assistant chief clerks	543	498	- 8.3	- 1.66
47	Clerks and related occupations	6,600	6,956	+ 5.4	+ 1.08
48	Checkers (car & freight)	1,349	1,117	- 17.2	- 3.44
49	Station agents, telegraphers, caretaker agents & levermen	4,577	3,103	- 32.2	- 6.44
50	Baggage and station attendants	752	513	- 31.8	- 6.36
51	Foremen & assistant foremen in freight sheds	428	391	- 8.6	- 1.72
52	Dining car stewards, chefs and cooks	933	597	- 36.0	- 7.20
53	Restaurant managers, chefs and cooks	27	29	+ 7.4	+ 1.48
54	Sleeping and parlour car conductor	160	123	- 23.1	- 4.62
55	Motor vehicle mechanics	49	87	+ 77.6	+ 15.52
56	Revenue motor vehicle drivers and helpers	1,690	2,171	+ 28.5	+ 5.70
57	Freight handlers & freight shed operators	5,644	5,013	- 11 2	- 2.24
58	Sleeping and parlour car porters and other train attendants	967	643	- 33.5	- 6.70
59	Dining car waiters and kitchen helpers	801	693	- 13.5	- 2.70
60	Restaurant waiters and kitchen helpers	26	28	+ 7.7	+ 1.54
61	News agents	109	35	- 67.9	- 13.58
62	Garage servicemen and helpers to mechanics	38	38	—	—
63	Transportation labourers	1,285	922	- 28.2	- 5.64
64	Floating equipment employees	607	506	- 16.6	- 3.32
	Sub-Totals	29,222	26,534	- 9.2	- 1.84
65	Yardmasters and assistant yardmasters	727	667	- 8.3	- 1.66
66	Switchtenders	215	158	- 26.5	- 5.30
67	Hostlers	312	306	- 1.9	- 0.38
	Sub-Totals	1,254	1,131	- 9.8	- 1.96
68	Road Passenger Conductors	481	376	- 21.8	- 4.36
69	Road freight conductors	2,376	2,366	- 0.4	- 0.08
70	Road passenger brakemen and baggagemen	1,024	732	- 28.5	- 5.70
71	Road freight brakemen	5,104	5,068	- 0.7	- 0.14
72	Yard foremen and car retarder operators	2,221	2,185	- 1.6	- 0.32
73	Yard helpers	4 427	3,962	- 10.5	- 2.10
74	Road passenger engineers and motormen	639	475	- 25.7	- 5.14
75	Road freight engineers and motormen	2,546	2,609	+ 2.5	+ 0.50
76	Yard engineers & motormen	1,992	1,875	- 5.9	- 1.18

Div. No.	Occupational Classification	Average Number of Employees 1966	1971	Per cent Change 1966-71	Average Yearly Per cent Change 1966-71
	TRANSPORTATION (continued)				
77	Road passenger firemen and helpers	429	295	- 31.2	- 6.24
78	Road freight firemen and helpers	1,992	1,239	- 37.8	- 7.56
79	Yard firemen and helpers	823	458	- 44.3	- 8.86
	Sub-Totals	24,054	21,640	- 10.0	- 2.00
	TOTALS	54,530	49,305	- 9.6	- 1.92
	TOTALS, Divisions 1-79	129,706	114,499	- 11.7	- 2.34
	OTHER OPERATIONS				
80	Express	6,265	3,202	- 48.9	- 9.78
81	Highway transport (rail)	291	353	+ 21.3	+ 4.26
82	Telecommunications	8,635	6,984	- 19.1	- 3.82
83	Outside operations	6,117	5,612	- 8.3	- 1.66
	TOTALS	21,308	16,151	- 24.2	- 4.84
	GRAND TOTAL	151,014	130,650	- 13.5	- 2.70

Source: Statistics Canada Publications "Railway Transport, Part VI, Employment Statistics", 1966 and 1971, Catalogue No. 52-212.

Appendix F

If you were to take the US Railways, where employment has declined twice as fast, as it has in the Canadian Railways, you might then begin to discover the basis of Mr. Ascah's argument that the non-ops in the US have been moving up faster. The fact is that the declining occupations in the US has been phenomenal. US Railroads have been phenomenal in comparison with Canada.

G. Lach
Page 16
Morning Session, June 26

EXHIBIT G

E-4 The Shopcraft settlement provided in the wage area:

(1) effective January 1, 1973 basic rates of pay in effect December 31, 1972 will be increased by 7 per cent and that effective January 1, 1974 basic rates of pay in effect December 31, 1973 will be increased by 6.5 per cent for a total increase of 14.0 per cent over 1972 basic rates of pay;

(2) effective January 1, 1974, shift differentials of 5 cents and 10 cents per hour will be paid for the afternoon and night shifts respectively;

Afternoon shifts include all shifts starting between 1500 hours and 2259 hours while night shifts include all shifts starting between 2300 hours and 0559 hours;

(3) effective January 1, 1974 existing skill differentials of 30 cents per hour (applicable to tradesmen on permanent seniority lists) will be incorporated into basic rates of pay.

APPENDIX H

THE PENSION ISSUE IS FULLY COVERED IN THE TRANSCRIPTS OF JUNE 25, 1973. THE MAIN POINTS IN MY OPINION ARE COVERED SPECIFICALLY ON:

PAGE 21 – MORNING SESSION JUNE 25, 1973
PAGES 38-39 – MORNING SESSION JUNE 25, 1973
PAGE 43 – MORNING SESSION JUNE 25, 1973
PAGE 45 – MORNING SESSION JUNE 25, 1973
PAGE 51 – MORNING SESSION JUNE 25, 1973
PAGE 4 – AFTERNOON SESSION JUNE 25, 1973
PAGE 8 – AFTERNOON SESSION JUNE 25, 1973

Report of Conciliation Board established to deal with a dispute between:

Railway Association of Canada

and

Division No. 4, Railway Employees' Department

The Board was under the chairmanship of Judge J.C. Anderson of Belleville, Ont. He was appointed by the Minister of Labour on the joint recommendation of the other two members of the Board, J.W. Healy, Q.C., of Toronto, Ont., nominee for the company, and Adrien Villeneuve of Montréal, Qué., nominee for the unions. The majority report, which under the provisions of the Canada Labour Code (Part V – Industrial Relations) is the report of the Board, was made by the chairman and Mr. Villeneuve. A minority report was submitted by Mr. Healy.

The report was received by the Minister during August.

The Board met in Ottawa on July 16 and again on July 26 and 27, 1973, and on those days the Board heard the full submissions of the parties with respect to the issues in dispute. The Board met again in Belleville in executive session on August 2 and 9, 1973.

The Board was supplied with a copy of the notice that the bargaining agents filed with the Department of Labour under date of November 1, 1972, expressing their desire to revise and supplement Wage Agreement No. 16 to give effect, as of January 1, 1973, to a series of proposals. It is not necessary to reproduce those requests for amendments to the former contract.

Background of the Dispute

Wage Agreement No. 16 between the Railway Association of Canada, representing eight railways, and Division 4, Railway Employees' Department, comprising seven unions, expired on December 31, 1972. Division No. 4 of the Railway Employees' Department is made up of what is known as the Shopcraft group and represents 19,787 non-operating employees. The Shopcraft group represents about 16.5 per cent of the total number of CN-CP employees on Canadian lines in 1972.

All Shopcraft employees are engaged in the equipment maintenance function of the railways. They service, maintain, upgrade and inspect all railway equipment and shop and power plant equipment. These employees are grouped into four basic occupational classifications – tradesmen, apprentices, helpers and coach cleaners, and of the 19,787 employees, approximately 76 per cent are classified as tradesmen. There are approximately 1,700 apprentices and 2,400 helpers and 667 coach cleaners. The tradesmen are divided into two groups known as Tradesman "A" and Tradesman "B". Tradesmen "A" have a basic hourly rate of $4.05 with a skill differential in addition of 30 cents. Tradesmen "B" have a basic hourly rate of $3.90 with a skill differential of 30 cents. The helpers in all trades have a basic hourly rate of $3.42; the coach cleaners have a basic hourly rate of $3 10. Tradesmen "A" and "B" make up nearly 13,000 of the 19,787 total employees. In 1972 the weighted average of the straight hourly rate of all Shopcraft employees was $4.05 based on a 40-hour week and the average weighted gross hourly earnings was $4.137.

In 1972, the relative value of fringe benefits as a percentage of total labour costs was 22 per cent and the average total 1972 labour costs including payrolls, health and welfare plans and payment required by law, amounted to just over $10,000 an employee per annum. The total wage costs of the employers amounts to approximately 60 per cent of the total revenues. Railways are relatively labour intensive.

History of Negotiations

All major railway bargaining groups when their contracts were reopened included among their demands a demand to negotiate improved pensions and, after intensive joint negotiations with various groups, an agreement was reached on pensions among the five major bargaining groups of the two railway companies. Under the agreement, pension benefits were increased by approximately 30 per cent of all years of service from January 1, 1956. The employers submitted that the improvements involve additional annual costs of 4.3 per cent of CN and CP 1972 gross payrolls.

It was only after a pension agreement had been arrived at in March of 1973 that negotiations continued with respect to other issues included in the Shopcraft unions' original demands. Finally, on April 5, 1973, a memorandum of settlement was signed by the employers and also by the authorized bargaining committees of each of the seven crafts involved.

The memorandum of settlement was submitted to the membership and it was not until about May 18, 1973, that the ballots were all returned. The employers were advised in the latter part of May that the employees had rejected the settlement. Following the rejection of the settlement, the Federal Department of Labour appointed this conciliation Board on or about June 26, 1973.

Issues Referred to the Board

The issues referred to the Board were made up of all the original issues that were filed with the Department of Labour under date of November 1, 1972, with certain deletions. Under date of July 5, 1973, John H. Clark, president and secretary of the Railway Employees' Department advised the Board that certain items listed in his letter are the agreed version of a memorandum of understanding that could form part of the Board's report. Under date of July 6, 1973, Mr. Clark further advised that certain items listed in that letter had been agreed to and not presented to the Board because an understanding had been reached thereon. Then, under later date it was agreed between the parties that there should be placed before the Board a request for an amendment to the special Shopcraft rules relating to helpers work. So that all matters that make up the requests for amendments to the contract that were originally filed on November 1, 1972, other than those mentioned in Mr. Clark's letter of July 5 as being agreed upon and mentioned by way of withdrawal from the Board's consideration in his letter of July 6, 1973, together with a request for an amendment to helpers rules were before the Board and briefs and submissions were heard in relation thereto.

Throughout the hearings, the employers constantly urged the Board to recommend a settlement that does not go beyond the cost of the package proposed in the memorandum of April 5, 1973, because, as they argued, the terms are fair and reasonable, but also

because to do otherwise would deal a blow at meaningful collective bargaining. The employers go on to state that: "It would be impossible to identify any single procedure that could have a more devastating effect upon free collective bargaining in the future than to have a board of conciliation adjust a freely bargained settlement without compelling reasons."

Your Board of conciliation, as part of its terms of reference, had referred to it a set of issues remaining in dispute and requiring the Board to attempt to bring about a settlement on those issues and, in the event of failure, to make a report thereon, so that the Board must deal with the issues referred to it.

Doubtless not only the employers but the bargaining agents were disappointed that the memorandum of settlement was not ratified. The railway unions have a particularly difficult task in connection with membership ratification because even with the best of faith, it is difficult for the bargaining committees to keep all their members fully informed of the background of negotiations that went on over a long period of time. Railway employees are widespread throughout the country and it takes considerable time to complete ratification procedures. The completion of negotiations with reference to pensions was publicly announced sometime previous to the membership being asked to ratify the total package.

The whole problem of how the parties can bargain in good faith, if a memorandum of settlement is repudiated by the membership is one that bears careful consideration, but the process of negotiations would not be aided if a board of conciliation simply endorsed a negotiated memorandum of agreement, regrettable as the rejection of the same might be. The chairman's view is that the answer to the problem arising from the rejection by the membership of a freely negotiated memorandum of settlement may be to seek ways to improve the methods of ratification of a memorandum of settlement. In the case of railway employees, some help might be found to improve the orderly and meaningful collective bargaining if, at the time the bargaining committee was elected that there would be an election of an opposite number to each member of the bargaining committee who might be called "contract trustees." Those trustees would be made up from outside the bargaining committee, but the membership would entrust them with the power to accept or reject a memorandum of agreement bargained out by the bargaining committee.

During the course of bargaining those "contract trustees" would meet from time to time with the bargaining committee and would be kept fully informed as to the progress of negotiations and the reasons for any trade-off positions etc. They then could have meetings with the membership and keep them informed so that when a final memorandum of settlement was worked out, the "contract trustees" could be assembled very quickly and their endorsement of the memorandum of settlement would be all that would be required.

Of course, there would be the possibility that the trustees might reject a memorandum of settlement, but there would be less likelihood for several reasons:

1. They would have a better feel on a day to day basis of the attitude of the members concerning the progress of negotiations;

2. They would be separate and apart from the immediate negotiations and would be able to look at the settlement more objectively;

3. Their decision could be made much more quickly than could the reference for endorsement of a memorandum to the membership spread throughout the country.

Recommendations

After three days of hearings and two days of executive session, and study by the individual members of the Board of the briefs submitted by the respective parties, your Board of conciliation now recommends as follows:

1. That there be a Two(2) year collective agreement, from January 1, 1973, expiring December 31, 1974, incorporating therein certain changes and amendments as hereinafter set out.

2. Skill Differential

Under the memorandum of settlement, certain payments for differentials were made payable to boilermakers, blacksmiths and helpers effective January 1, 1973, but the skill differential payable under the provisions under Rules 32.4 Wage Agreement No. 16 was not incorporated into the basic rate of pay until January 2, 1974. The 30 cent differential payable to skilled tradesmen was, the Board understands, first effective on July 1, 1972. If this differential is to have a constant ratio, it should be incorporated in the basic rate of pay at the earliest possible date.

Recommendation

That effective December 31, 1973, the 30-cent skill differential payable under the provisions of Rule 32.4 (a) of Wage Agreement No. 16, shall be incorporated into the basic rate of pay, but the application of this Article 1 (g) shall not apply to employees covered by Rules 32.4 (d) and (e) of Wage Agreement No. 16.

3. Job Security

There was a provision in the Memorandum of Settlement of April 5, 1973, that dealt with the question of job security.

Recommendation

That the clause in the memorandum of settlement of April 5, 1973, be in the terms of the job security provision, subject to the condition that any improvements in that provision granted to the associated non-operating railway unions be also applied to the bargaining agents before this Board of conciliation.

4. Loss of Wages in Emergent Situation

Recommendation:

The handling of situations relating to the bargaining agent's demand, which is expressed in the following terms:

> "When due to inclement weather, and public transportation is inoperative, and the proper civil authorities have appealed to the citizens to remain at home, then the affected employees shall be paid."

should be handled according to the policy outlined by the CN in their letter of November 9, 1971 which reads as follows:

> "Snow storms are a part of our way of life in Canada and are normally no good reason for an employee to be unduly late or absent from his work. During recent years, however, there have been a number of instances where exceptionally severe snow

storms have resulted in large groups employed in a number of metropolitan areas being unable to travel to their work point. We refer, for example, to storms which have affected: Winnipeg, March 4, 1966; London, January 16, 1968; Moncton, December 25-26, 1970; St. John's, Newfoundland, January 17-18, 1971 and Montreal, March 4-5, 1971.

On each such occasion a somewhat different approach was taken by local management to the payment of scheduled non-operating employees. While a considerable degree of uniformity was ultimately achieved, there still were some differences, and the need for a uniform approach has become evident.

All employees are expected to make every effort to report for work on time notwithstanding snow or storm conditions. Therefore, where storm conditions of the nature referred to in the first paragraph occur in future, and it is declared by the municipal authority that a storm emergency exists, the following approach should be adopted in regard to the payment of wages for the day(s) in question.

1. All employees, except running trades and customer and catering train staff, who arrive late for their assignments, but report prior to the midpoint of their tour of duty, will be paid for the day, provided such late arrival is directly attributable to weather conditions. Employees other than those excepted above who report after the mid-point of their tour of duty will be paid one-half day.

2. Employees who do not report for work will not be paid, but such employees may be given the opportunity to make up lost wages by working additional hours at straight time rates at some later date.

The nature of work in which the running trades and customer and catering on-train staff are involved results in certain vagaries and uncertainties from day to day. Furthermore, the collective agreements covering those employees contemplate their services being interrupted by storm conditions and there are arrangements in their collective agreements in respect thereto. Alternatively it is recognized generally speaking, that opportunities will occur for such employees to make up lost miles or time resulting from storm conditions. Therefore no special arrangements are contemplated for these employees."

5. Call-in Pay

With respect to call-in pay, the bargaining agents have requested that "all call rules requiring employees to report for work, shall be amended to provide a minimum of four (4) hours at the prevailing overtime rates." The employers have countered that by alleging that on the basis of existing available statistics, a change in the existing call-in provision presently in effect is not called for. Railway employees are paid in such instances as follows:

1. Employees called or required to report for work and reporting but not used will be paid a minimum of four hours at straight time rates.

2. Employees called or required to report for work and reporting will be allowed a minimum of four (4) hours pay at straight time rates for working two (2) hours and forty (40) minutes or less.

3. Carmen and their helpers, including coach cleaners, required to attend scheduled passenger trains outside of regularly assigned working hours will be allowed a minimum of two hours at straight time rates, except that when called between 10:00 p.m. and 6:00 a.m. a minimum of four (4) hours at straight time rates will be allowed.

Recommendation

That all rules relating to minimum "call-back" provisions which presently are expressed in terms of "a minimum of four hours at straight time rates" shall be changed to "a minimum of three (3) hours at overtime rates of pay."

6. Helpers Rules

While your Board does not recommend the adoption of the employers' request with respect to amending "helpers rules," it does recommend as follows:

Recommendation

That a joint committee of the parties be established to examine and study in detail the request of the employers for amendment to the special craft rules affecting "helpers" keeping in mind that the Employers wish by reason of the passage of time and the change in practices and technological changes to broaden the work jurisdiction of helpers and, also, keeping in mind, how if such a requested rule is adopted, it would affect the present apprenticeship system and tradesmen's work jurisdiction and the committee should report to the employers and the bargaining agents not later than July 1, 1974 the results of its study.

7. Incorporation with in the contract of all matters agreed upon between the parties and as set out in John H. Clark's letter to the Board under date of July 5, 1973, and all matters that the parties may have agreed upon between the time the Board was constituted and the filing of this report.

8. Mr. Clark's letter under date of July 6, 1973, sets out a list of items that have been agreed upon and will not be presented to the Board either because the parties have each other's assurance that they are to be ratified. Those matters are not dealt with in these recommendations in view of the above-mentioned letter.

9. The Board endorses and supports by recommendation the adoption of all other items agreed to in the memorandum of settlement of April 5, 1973, and not specifically dealt with herein.

Wages

There has been rapid acceleration in the Consumer Price Index since the beginning of the year 1973, and recently the cost of settlements that are taking place in industry generally have been higher than previously. It is clear that there has been an increase in the real output of each employee in commerce and industry throughout Canada generally and that the increase in productivity of railway employees is certainly not less, and may be considerably more than the increase in productivity of each employee throughout the country.

The Board is aware of the difficult position the employers would find themselves in if wage increases beyond those set out in the memorandum of settlement were agreed to. The rate of return on investment on CPR is moderate and as total labour costs constitute approximately 60 per cent of all railway revenue, if there was a further substantial increase in labour costs throughout the

system and if railways were to maintain a position where they expect to get a moderate return on their investment, a substantial increase in revenues would be required immediately, which could only come from increasing freight rates and other charges.

Any substantial increase in railway transportation costs would add additional pressure to the already rising costs of goods and services throughout the country.

Having fully in mind the opinions expressed above, your Board is of the considered opinion that, at this time, it should, and hereby does recommend as follows with respect to wage increases:

Recommendation

Effective January 1, 1973, that there be a general wage increase of eight and one-quarter per cent (8-1/4%);

Effective January 1, 1974, that there be a further and additional wage increase of six and one-half per cent (6-1/2%) based on the rates of pay in effect on December 31, 1973;

Effective July 1, 1974, that there be a further and additional wage increase of one and a half per cent (1-1/2%) based on the rates of pay in effect on June 30, 1974.

Other Matters not Specifically Dealt With

There were a number of matters wherein the bargaining agents requested amendments to the contract which were argued before the Board and replied to by the employers in some detail, upon which briefs were presente; to the Board and were argued before the Board.

All these matters have, in the Board's view, a lower priority than those that are specifically dealt with above, and the Board is of the opinion that the bargaining committee has not advanced such compelling reasons in relation to those issues to move the Board to make recommendations in this report thereon.

The bargaining agents' nominee is of the view that while there are certain other areas in dispute which the Board should make recommendations upon, at the same time he feels there is sufficient over-all merit in the report that he has joined the chairman therein in making this report.

(Sgd.) J.C. Anderson
Chairman

(Sgd.) Adrien Villeneuve,
Member

DATED at Belleville, this 9th day of August, A.D. 1973.

Report of J. W. Healy, Q.C., Company Nominee

Commencing in the latter part of November, 1972, negotiations took place between the parties to these proceedings for the renewal of their collective agreement. In January, 1973, it was agreed at a joint meeting attended by representatives of all five bargaining groups that there be established a pension sub-committee made up of representatives of those groups, the railway companies and pension boards. An agreement was eventually reached on pensions and a document of understanding to that effect was entered into on March 16, 1973. It provided that pension benefits would be increased by a minimum of 30 per cent for all years of service from January 1, 1956. The cost of the negotiated improvement to the pension plan is equivalent to a general wage increase of 4.3 per cent effective January 1, 1973.

Negotiations between the parties hereto continued with respect to the matters in issue and when it became evident that a settlement was possible, steps were taken to ensure that any settlement would have the total support of the authorized bargaining committee of each of the seven crafts involved. Some fifty-six union representatives reviewed the proposed settlement in detail over a period of two days and each craft committee confirmed its craft's approval of the proposed settlement. A memorandum of settlement was signed by the parties on April 5, 1973.

In the latter part of May, 1973, the railways were advised by Division 4 that the employees had rejected the settlement and as a consequence this conciliation Board was appointed to deal with all matters in issue between the parties.

Whatever the reason for the rejection of the settlement by the membership, (and that apparently is not known), it is my respectful view that the settlement, in order to have been acceptable unanimously to the large group of leaders of Division 4 and to the negotiators for the railway companies, must have constituted a reasonable, fair and proper resolution of all matters in issue between them. I must conclude that it was the result of the usual give and take and compromise on the part of skilled, experienced negotiators on both sides of the bargaining table. Accordingly, I do not feel justified in recommending anything different from those terms of settlement. It follows that insofar as the majority's recommendations depart from the terms of settlement of April 5, 1973, I must respectfully dissent.

DATED at Toronto this 9th day of August, 1973.

(Sgd.) J.W. Healy, Q.C.,
Company Nominee

Report of Conciliation Board established to deal with dispute between:

Canadian National Railways and CP Rail (System)

and

United Transportation Union (T)

The Board was under the chairmanship of Roy A. Gallagher, Q.C., of Toronto, Ont. He was appointed by the Minister of Labour on the joint recommendation of the other two members of the Board, R.V. Hicks, Q.C., of Toronto, Ont., nominee for the companies, and David L. McWilliam of Ottawa, Ont., nominee for the union. The majority report, which under the provisions of the Canada Labour Code (Part V – Industrial Relations) is the report of the Board, was made by the chairman and Mr. Hicks. A minority report was submitted by Mr. McWilliam.

The report was received by the Minister during August.

The Board held hearings in Montreal, P.Q., on July 25, 26 and 27 and the parties were represented at the hearings as set forth in the lists of appearances attached hereto.

Extensive written submissions were presented to the Board on behalf of all parties with respect to all of the issues remaining in dispute between them.

When the hearings were adjourned on Friday, July 27, the parties were given until August 8 to file written rebuttals with the Board. The rebuttals were received in fact on August 8.

History of Negotiations

The union served notices for specific contract revisions on the several railways on November 2, 1972.

The notices related to the prior collective agreement that was to terminate on December 31, 1972.

Negotiation meetings between the parties commenced on or about November 20, 1972, and continued through to January 17, 1973, when the Minister of Labour, at the request of the parties, appointed a mediator to assist them.

At that same time the railways were negotiating with four other bargaining groups and one issue (improved pension benefits) was a common request of all five of these groups.

Accordingly, the five bargaining groups and the railways agreed to the establishment of a sub-committee composed of representatives of all five bargaining groups, the railways and the pension boards.

The sub-committee was able to resolve the pension issue, and on March 16, 1973, a document of understanding was signed by all of the parties involved.

Mediation proceedings with regard to other outstanding issues between the parties commenced on April 18, 1973, and continued through to May 11, 1973, at which time it became apparent that the parties could not reach a settlement.

However, on May 30 the parties met once again and were able to agree upon those matters that were to be referred to this Board. A memorandum of understanding was signed by the parties, and was entered as Exhibit No. 1 in the proceedings of this Board.

The issues referred to this Board, as set out in the memorandum, are as follows:

Union Request – 1. WAGES, 2. SHIFT DIFFERENTIALS, 3. ACCUMULATIVE SICK LEAVE, 4. BENEFIT PLANS, 5. EXPENSES AWAY FROM HOME, 6. RESTHOUSES AND CABOOSES.

Companies Request – 1. REDUCTION IN CREW CONSIST.

General Remarks

In view of the position taken by this Board with respect to the matter of recommendations, as set out later in this report, it seems essential to set out certain facts that have had great impact and influence on this Board's decisions.

At about the same time as this Board was holding its hearings with the parties in Montreal, the Associated Non-Operating Unions were commencing their plan of rotating strikes across Canada.

The Associated Non-Operating Unions represent approximately 55,760 railway employees or about 46.6 per cent of the total number of employees on these railways in Canada.

The rotating strikes followed a conciliation board report in which recommendations as to the critical issue of wages varied widely from a low of 7 per cent in 1973 followed by 6 per cent (compounded) in 1974 to a high of 10.79 per cent in each year of a two-year agreement.

At approximately the same time the bargaining committee of the Shopcraft group of unions had negotiated a settlement (including wages) with the railways, but the settlement was not ratified by the membership of the several unions involved.

As a result a conciliation board was established to deal with the issues outstanding between those parties. The Shopcraft group of unions embraces some 19,787 railway employees or 16.5 per cent of the total number of employees on the railways in Canada.

That conciliation board's report has now been made public and, once again, there is a substantial diversity between the members of that board on the critical issue of wages and the level of increases to be applied during the two-year period of the agreement.

Specific Comments

In this Board's opinion there are three critical issues which, if they were resolved, should lead to an over-all settlement between the parties.

They are: 1. Wages, 2. Special adjustment for yard service employees, and 3. Reduction in crew consist.

1. Wages

The number of employees involved in the issues before this Board is approximately 14,504 or 12.1 per cent of the total number of employees on the railways in Canada.

In view of the situation involving other bargaining groups on the railways as set forth above, it is my opinion that it would be unwise and indeed ineffectual for this Board to make any recommendations as to general wage increases at this time.

I say unwise and ineffectual because it is obvious that any settlement reached in the "Non-Ops" situation or in the "Shopcraft" situation must have a great impact on the final resolution of the problem confronting this Board.

In addition, it might prove unfair to either or both of the parties for this Board, at this time, to make a recommendation, or recommendations, respecting general wage increases. Such a recommendation, or recommendations, might easily result in either or both of the parties having to adopt rigid and inflexible positions that would be incompatible with the need to reach a fair and equitable settlement.

Accordingly, I would not make a recommendation as to general wage increases at this time.

2. Special Adjustment for Yard Service Employees

However, the question of a special adjustment for yard service employees requires consideration.

The parties dealt at length with the duties and responsibilities of yard service employees in their work function.

As might be expected the parties had widely varying views as to the duties and responsibilities. The company endeavoured to place the degree of such duties and responsibilities at the lower end of the scale while the union endeavoured to establish the opposite position.

It seems probable that the correct interpretation of the situation would result in a position somewhere in between the two.

In any event, I am of the opinion that the wages of yard service employees over a number of years have "lagged" to some degree in relation to other groups of employees and having regard to the duties and responsibilities of the yard service employees. That results, in part at least, from the application of percentage wage increases to variable bases with the result that while the percentage increases over a period of years are the same the actual "take-home" in terms of dollars is markedly less.

For the reasons set forth under the heading of Wages, above, I

am not prepared to make any specific recommendation as to the level of such special adjustment.

However, I do recommend that in any settlement reached by the parties they provide for a special adjustment for yard service employees over and above any general wage increase.

3. Reduction in Crew Consist

The companies submitted a request to the union to establish a rule providing for reduction of the crew consists in all classes of freight service.

Traditionally the size of crews in freight service has been three persons — a conductor, a head-end brakeman and a rear-end brakeman. That complement (i.e., crew consist) has remained constant over the years, at least since 1898.

The companies' position is simply that modern technology and modern equipment have so revolutionized the railway industry that it is now inefficient and uneconomical for the railways to be tied to the rules of the past. The companies state that in their opinions there are many "runs" in freight service where there is no need for the third employee and that those runs could be performed as efficiently, more economically and with as great a degree of safety as at present.

The companies point out that the request they have made of the union is not without precedent in that the companies negotiated similar provisions with the union in 1967 and 1969 with respect to yard service and passenger train service.

The union's position, stated simply, is that the reduction of the crew consist would have a detrimental effect on safety, that is, the safety of the train and its contents and, more important, the crew itself and the public. In addition, however, the union made it very clear to this Board that its membership would never ratify any settlement arrived at by the representatives of the parties which contained a provision for the reduction of crew consists.

It must be noted that this is not the first time that the parties have grappled with the problem.

In 1968 when the parties were at negotiations the same request was before them.

The issue was resolved at that time by a letter of understanding between the parties which stated, in part, that the parties "would jointly survey certain freight runs to be designated by the companies with a view to ascertaining whether any such runs could be operated with a reduced crew consist in safety and without undue burden upon the employees concerned."

The companies say, in essence, that, subsequent to that letter, the union refused to co-operate in carrying out the intent expressed therein.

Again, at negotiations in 1970 the same request was before the parties, and once again it was resolved on the basis of a further letter confirming the letter of understanding signed by the parties in 1969.

The result: The same as outlined above.

I appreciate that the request could be an explosive issue insofar as any settlement between the parties is concerned.

However, the time to cease playing "ostrich" has arrived. The companies should not be tied to the rules of the past if they can illustrate that a task can be performed as efficiently and economically with a smaller number of employees, provided that the factor of safety remains paramount, no undue burden is placed on employees as a result and no existing employee suffers any loss of job security.

In my opinion the matter of reduction of crew consists on any freight run should be dealt with initially by the parties.

However, if the union refuses to deal with any reduction proposed by the companies, or if the parties are unable to agree as to whether or not any proposed reduction is justified under the above requirements as to safety, no undue burden, etc., then such proposal should be submitted to an agreed-upon single arbitrator, or failing such agreement, such neutral party as the Minister of Labour may appoint. The decision of such neutral party should be final and binding on the parties.

I am sure that the parties can resolve the procedural aspects of what is suggested above.

Accordingly, I so recommend.

(Sgd.) R.A. Gallagher, Q.C.,
Chairman of the Board

I am pleased to concur in the above report of the chairman.

(Sgd.) R.V. Hicks, Q.C.,
Member

Report of Nominee of Bargaining Agent

I believe I should point out to you, Mr. Minister, that mediation ended in this dispute on May 11, 1973. Since that date the country has had sporadic outbreaks of discontent by railway employees, especially among the operating groups during the month of May, 1973, and at various points across Canada. Of course, the non-operating employees have been engaged in series of rotating strikes affecting various regions of the country. In addition the Shopcraft group of railway employees has already rejected by referendum a proposal of both railways calling for wage increases of 7 per cent in 1973 and 6.5 per cent in 1974. That was also the companies' wage position before this conciliation Board.

The nation has seen an inflationary spiral that has been of concern to all Canadians, as well as the Government of Canada. Statistics Canada figures indicate that between June, 1972, and June, 1973, the consumer price index rose 8.1 per cent. The national television news and other media inform us that the International Monetary Fund places Canada fourth highest among the nations of the world in terms of inflationary pressures. We have been subjected to the beef crisis, the potato crisis, the tomato crisis, the pork crisis and so on. Rumours abound about stock piling in the United States. Some black markets are suspected of operating in the United States. There are reports of a run on deep freezers. That is the climate in which railway operating employees live. And as they watch the national news, or the days events in connection with the non-operating strike, they are inundated with news of rising prices and commodity shortages.

Against that backdrop, they know the companies that they work for had a good year in 1972, and that the prospects of an even better one in 1973, perhaps even spectacularly so.

On the day the Shopcraft conciliation board report was made public the Ottawa Citizen carried a Canadian Press story that CP first half earnings were, at 91 cents a share, more than 21 cents a share higher than the 70 cent **record** level of 1972 and **a full 40 cents a share higher** than earnings for the first half of 1972. Projected on an annual basis to $1.31 a share earnings, that would mean that CP would have raised its earnings per share 87.1 per cent in 1973! (emphasis added)

In a normal period of price stability employees expectations undoubtedly would have been to share in that company growth with a larger percentage slice than they did in the last contract. Coupled with their inflationary fears, however, it is to be expected that they are now seeking to protect themselves and to hedge effectively as they can against inflation.

For the past several years it has been fashionable to say that strong unions can protect themselves against the effects of inflation. Surely, then, no one can consider it strange when they seek to do so. In fact, however, the evidence before this Board suggests protection against inflation has not been an easy thing to achieve. It is obvious that other groups in society, other than trade unionists, may find it harder. But probably, even relatively strong trade unionists do not actually succeed in protecting themselves completely from the effects of inflation.

Figures produced by your own department indicate that the average wage settlements for two-year contracts negotiated in 1973 indicate that the **average** percentage increase in the first year is 9.8 per cent and for the second year 8.1 per cent.

The railways do not consider themselves average employers, and feel that their employees are well paid. But you will note that the railway offer (7 and 6.5 per cent) is less than the average reported by your department. Consequently, by your own standards the railways are a below average employer at the moment. But the important point is that in the collective consciousness of the operating employees, that is how their employers' offer strikes them — well below average. The statistical evidence released by your own department justifies that feeling. The question is by what amount should the railway offer be increased in order to make the railways the above-average employers that they claim to be?

Against that background one cannot be unmindful of the total cost to the railroads of the entire payroll package, and the possibility that the recommendations of this Board might help in effecting a settlement without either party resorting to strike or lockout. The recent history of successful negotiations with the railroads in 1968 and in 1970, from the viewpoint of healthy collective bargaining in the railway industry ought not to be considered lightly. The over-all objective must be considered, and, I hope, has been given its due weight in this report.

Unlike some previous wage movements in the industry the railway companies did not argue, as a general proposition, inability to pay. The company did, of course, total the package of demands in various ways to indicate the financial burden to them of meeting the complete demands of the United Transportation Union (T). That is not only to be expected, it is legitimate.

Nevertheless, one must look to the companies' own financial statements in order to assess what is the magic range that best gives effect to the legitimate concerns of both parties to the dispute.

The 1972 annual report of Canadian Pacific Limited says: "Before extraordinary items, earnings were at an **all-time high** of 94.2 million, or $1.26 an ordinary share. Dividends on the ordinary stock also **set a record** at 70 cents a share." (emphasis added) And one must also note that those record earnings were not inhibited by the company's rail operations. The report continues: "The improvement was due, not just to one or two areas of strength, but came from nearly every sector of the wide range of company activities. **Rail,** truck and air transport and telecommunications all showed earnings gains." (emphasis added — In fact, net CP railway earnings were 26 per cent higher than in 1971) Canadian Pacific Limited said in the report that its 1972 goal was "to achieve an increase in earnings in excess of the growth rate for the Canadian economy as a whole." The company estimated that growth in current dollars at "just over 10 per cent." The report then said: "With a 27 per cent increase in its earnings for the year, the company fully realized its objective." The company acknowledged that the efforts of employees "were vital to the years success."

In its annual report Canadian National said: "In 1972 Canadian National carried **record** amounts of traffic, earned the **highest revenues** in its history (emphasis added) Canadian National's "operating profit" rose by 9.3 per cent. Net income from railway operations was 12.2 per cent higher than 1971. The company's over-all deficit (after adjusting for a net interest on debt of $66.1 million) was $17.8 million; the lowest since 1956.

And, 1972 results seem to be carrying over into 1973. The net income for Canadian railways for the first five months of this year increased by 54.5 per cent over the same period in 1972, itself, as has been seen, a vintage year.

Union's Demand

The union's wage demand is for a wage increase of 15 per cent per annum, compounded over a two-year contract, for road service employees, and also a wage increase of 75 cents an hour in 1973 and a further wage increase of 75 cents an hour in 1974 for yeard service employees.

As justification for those demands the union argues: (1) the real wages (purchasing power) of its members and the consumer price index; (2) productivity in the Canadian railway industry. The union also advances some specific factors that relate to yard service employees. Consideration will be given later to yard service employees.

The union points out that the consumer price index rose by 10.9 per cent over the period of the expired contract (1971-2). The average monthly rate of increase was .0454, to compensate operating employees fully for those "lost" wages the union maintains that 21.7 cents an hour effective January 1, 1971, is required to recover the inflationary deficit (.0454 x 4.778) — the average earnings of those operating employees.

Looking forward to 1973 the union projects as a "conservative" figure a rate of inflation of 6.5 per cent, which would translate into an additional wage increase in excess of 50 cents an hour merely to "maintain a constant purchasing power given our conservative projections."

Company's Response

The company puts forward the view that the 21.7 cents adjustment for 1971-72 inflation "totally ignores the rationale underlying the last wage increases negotiated by the United Transportation Union (T). "The underlying rationale, in the companies' view, consisted of two factors:

(1) the "prevailing wage movement in the economy"

(2) the "full expectation of **some** price increase over the life of the contract" (emphasis added)

Obviously, the key word is "some." The companies would like that to mean "all." Since it cannot, and because the first branch of the argument is too general to be applied to the specific problem (and really is a sophisticated version of a "deal is a deal"), the union has effectively discharged some of the onus. The question is how much?

It should also be observed that if the companies' argument were accepted completely that no adjustment at all should be made for past inflation, union members would not be very anxious to ratify current contracts, especially at a time when the **rate** of inflation is increasing. If the companies are to garner all the benefits after any inflationary period is over, they cannot expect their employees to lightly push off again into uncharted inflationary waters. If there can never be a catch-up factor — even where the inflation rate is beyond the contemplation of all parties to the prior agreement - the railways can hardly be surprised if employees dig in their heels when the contract is open.

With a June, 1972, to June, 1973, inflation rate of 8.1 per cent (Statistics Canada — Informat, August 3, 1973, and fourth highest in the world according to the International Monetary Fund) union members must view the companies' argument, at the very least, with suspicion.

In any event, the parties to the 1971-72 contract did not foresee such rates of inflation, either the 10.9 per cent of the contract period, and certainly not the 8.1 per cent annual current rate (June to June). To argue that such expectations were covered within the four corners of the agreed 1970 contract, is to give both the companies and the unions an omniscience that neither, in their franker moments, would dare claim!

A written rebuttal filed by the company indicated that the average annual increase in the consumer price index from 1961 to 1969 was 2.9 per cent. If any inflationary knowledge is to be imputed to the union's negotiators, at the relevant time (1970), that is the figure. Even assuming the 10-year average, and including figures for 1971 and 1972, the annual average increase over the period was 3.1 per cent. It is easy to see that expectations of 2.9 or 3.1 per cent do not compare well with annual rates of 8.1 per cent. Operating employees have felt the five per cent differential.

With respect to future inflation the railways argue that there will be an annual rate of inflation of 5.5 per cent and their principal authority seems to be budget statements in February of 1973. The rate they predicted was 5.5 per cent. The railways also cited the fact that the non-operating unions used an inflationary figure of 5.45 per cent, being an average of the Canadian board of economic advisors of Time Magazine.

Whatever virtue the figures had at the time they were advanced, they do not now appear to cover the real situation.

The companies' argument is married to a forecast that is now superseded by events. The figure argued by the union before the conciliation Board, described by its spokesman as conservative, was 6.5 per cent. That figure seems much more realistic.

Productivity

In addition the union presented a productivity analysis that has much to commend it.

Other boards that have already reported in connection with the current rail disputes have accepted the notion that the productivity of railway workers is probably more than the national average increase in productivity. The unions claim that output per man on the Canadian Pacific increased by 44.6 per cent in 1952-62 and by 155.2 in the period from 1962-1972. From 1968 to 1972 the increase was 64.42 per cent. The union acknowledged "the difficulties in obtaining acceptable capital stock figures present a recurring problem in productivity analysis." The railways, for their part, jump on that admission, and say that "such a partial productivity index as constructed by the unions is of **no value** in determining an appropriate wage scale." (emphasis added)

The railways do not attempt to quantify their caveat, and prefer instead to keep their objections in qualitative terms. They do quote from a staff economist with the Canadian Transport Commission to the effect that the skill and initiative of the undividual worker constitutes only a small part in any increase in productivity. Apart from that objection in general terms, the railways do not offer any further rebuttal of the union's productivity argument, except to argue prior compensation in previous contracts.

The layman's observation must be made that the major injections of capital, particularly dieselization and centralized traffic control, were made in the middle 1950's and basically completed by 1961-2. The union figures show productivity rising at a faster rate in the last five years than for the period when those technological changes were being made, and long after any period that could be considered a "shakedown" period. It strikes me as strange, not being an economist, that there should be such an improving rate of productivity so many years after those major changes were made. I suspect it is because the railways have simply moved more and more ton miles of freight with fewer and fewer people, and that the union's membership has been shrinking. In those circumstances the railways must give to employees a wage adjustment for productivity beyond the national average productivity figure.

Because of the theoretical difficulties in assessing capital's role that productivity figure does not lend itself to arithmetic certainty. But the union's calculations do not deserve to be labelled "of no value in determining an appropriate wage scale."

Wage Increases

Consequently, for the reasons already outlined, the following wage increases would appear to be appropriate:

effective from January 1, 1973 a 9.9 per cent increase to the wage rates prevailing on December 31, 1972;

effective from January 1, 1974 a 9.5 per cent increase to the wage rates prevailing on December 31, 1973.

Lest anyone think that these increases are wildly inflationary, after adjusting for a 6.5 per cent inflation factor, they mean that operating employees will get a 3.4 per cent real increase in wages in 1973 and a 3.0 per cent real increase in wages in 1974. The

companies' rebuttal on wages filed before this Board shows that there have been three occasions in the last 10 years where the annual real increases in wages have been higher than those proposed in this settlement. There is also a precedent (1967) for a nominal increase of 9.9 per cent in wages.

To the extent that the public is concerned that the taxpayers of Canada must foot the bill (assuming a freight rate freeze for 18 months as proposed), the concern is legitimate. In fairness to railway employees, however, nothing can be done. If it is in the public interest to have low cost transportation, then it is clearly unjust to finance such a policy by railway wages lower than those considered reasonable and fair. To adopt a low wage policy is tantamount, in my view, to discriminatory taxation. Railway employees should contribute to any over-all policy of low transportation costs as taxpayers not as employees. That is the way to fairly distribute the burden among all Canadians.

Yardman

Broadly speaking, I concur with the approach taken by the chairman of this Board with respect to a special wage adjustment for yard service employees whose take home pay on an annual basis has, as the chairman has pointed out, "markedly" declined in relation to other groups in the unit.

To the extent that the parties feel any imperative from the recommendations of the chairman on that issue, they should attempt to solve the issue with a wage adjustment for employees in yard service over and above any negotiated general increase. The amount of such adjustment should be left to the parties to work out.

Crew Consist

The railway companies sought to convince the board to "establish a rule to provide for reduction in crew consists in all classes of freight service." Such a rule would, of course, be a major departure from the freight service work rules in force on all Canadian railroads. It is fair to say that the union felt very threatened by that proposal, and, in its view, no agreement containing such a rule would be ratified by the membership. The companies did not put forth any specific plan covering any particular freight operations or even any general plan.

They sought instead a procedural solution to be applied in the absence of agreement. The solution would be for the companies and the unions to place their differences before an arbitrator for final determination. The "standard" crew in freight service is one conductor and two brakemen. The companies' proposal envisage two men per crew. The company contends that "major changes in operating practices and traffic patterns, coupled with technological improvements in equipment, communications, track and signalling, have revolutionized the railroading industry." That argument leads the companies to say that the principle of reducing freight crews is sound; what is needed is a procedural mechanism to end the disagreements. The end is clear; the means aare not, say the companies. The union does not admit the argument in principle. Consequently, the companies' procedural solution — with very little detailed evidence supporting the reduction principle — leaves the board, in my view, in the position, as laymen, of attempting to decide a very difficult point of how best to safely and efficiently operate a railroad. From the employees' point of view the impact of such reductions in crew as they work their way through the seniority system could be very great indeed. Probably the company hopes to reduce the best paying jobs first. No relevant evidence was placed before the board on those issues.

The companies stressed the fact that the consist of crews in yard service and passenger train service were reduced by collective bargaining in 1967 and 1969. The companies then go on to argue that the union has been intransigent with respect to freight crews. The matter appears to have been first demanded by the companies in 1968. The fact that the companies have failed to carry their demand in two rounds of negotiations unduly depresses them.

It is useful to consider the history of the crew consist issue on United States roads. Speaking generally, it appears that matters have not been resolved there, although demands on the issue were served as far back as 1959. Many commissions, including the Presidential Railway Commission and numerous emergency boards have studied the problem in great detail. Volumes of evidence have been taken and hundreds of exhibits filed. Generally speaking, the recommendations of those various bodies have been to put the issue back into the hands of the parties as those best able to judge the impact on railway operations of such work rule changes.

This board has made no comparable study — in fact no real study at all — on the issue of principle involved. In my view the company has reached up much too soon to the panacea shelf in order to find compulsory arbitration. The union did agree to crew reductions in two other kinds of service in 1967 and 1969.

Consequently the case for intransigence has not been made out. All that has been proven is that the company has lost twice, on the bargains struck at those times. (1968-70) The companies, themselves, continually used that argument in other contexts before the Board. In my view it is not reasonable, considering the U.S. experience, for the companies to expect a conciliation board to recommend compulsory arbitration of such a fundamental work rule, vehemently opposed by the membership, where the evidence on the validity of the principle itself is so meagre. Our job is to find the avenues of agreement. We cannot, in my view, accept a procedural solution that shuts its eyes to the fact that the implications and extent of any such crew consist reductions must be clearly spelled out by the companies before the employees should be asked to agree. To give a man a choice between hanging and the electric chair before you convince him of the value of capital punishment lets the procedural tail wag the policy dog. To face the matter directly, and considering all of the circumstances now prevailing, the companies cannot expect in my view to achieve a new crew consist rule for freight service in these current negotiations.

Further, it appears to me that to attempt to tie together a reduction in crew consist in freight service with a special adjustment for yardmen is to ask a bargaining unit with relatively equal numbers in each occupation group to submit to a stick and carrot technique that invites open conflict in the membership. When the objective is to produce an agreement fair and satifactory to the membership and the company such an approach seems, in my view, to be a fundamental error in principle.

Other Issues

Without commenting in any way on the merits of the other issues referred to this Board by the parties (shift differentials, accumulated sick leave, benefit plans, expenses away from home and resthouses and cabooses) I agree with the chairman of the Board that satisfactory resolution of the main issues involving general wages increases, a special wage adjustment for yard service employees, and the crew consist proposal of the companies would probably lead, in the chairman's words, "to an over-all settlement." In the hope that will be possible, I refrain from commenting on any of the other issues referred to the Board.

(Sgd.) D.L. McWilliam,
Member

Report of Conciliation Board established to deal with a dispute between:

Great Lakes Pilotage Authority, Cornwall, Ontario

and

Public Service Alliance of Canada

The Board was under the chairmanship of C.G. Simmons, Kingston, Ont. He was appointed by the Minister of Labour on the joint recommendation of the other two members of the Board, Colin A. Morley of Toronto, Ont., nominee for the company, and Gordon G. McCaffrey of Ottawa, Ont., nominee for the union.

The report was received by the Minister during June.

This Board of conciliation was appointed under the Canada Labour Code (Part V — Industrial Relations) to deal with the dispute between the Great Lakes Pilotage Authority, Cornwall, Ontario and the Public Service Alliance of Canada and met with the parties in Toronto on May 25, 1973.

This Board regrets that in spite of its efforts, it was unable to arrange a settlement of the issues in dispute and so is compelled to file this report.

During the meeting on May 25 the union outlined the issues in dispute, which were concurred in by the employer. The issues related to 1) vacation leave; 2) paid statutory holidays; 3) shift premiums; 4) classification plans; 5) general increase rates of pay; and 6) term of the agreement.

While the union submitted a fairly extensive brief to the Board, the employer elected to highlight the issues in brief form anticipating that informal discussions would follow with an attempt to resolve the issues in that manner. When it became apparent that the outstanding issues were not going to be resolved, the employer was asked if he wished to have an opportunity to explain his position in greater detail. The employer decided that because of the detailed discussions held during the day, further elaboration would not be necessary.

Both parties were in agreement that all of the issues, save classification plans and general increase in rates of pay, could readily be resolved by the parties. It naturally followed that a good deal of the discussions were devoted to the two major hurdles confronting both parties.

In order to fully appreciate the situation existing between the parties, it will be necessary to refer briefly to their prior associations. Prior to February 1, 1972, the employer was the Ministry of Transport and the terms and conditions of employment prevailing between the Public Service Alliance of Canada and the employer at that time were those regulated by the clerical and regulatory collective agreement as well as the secretarial, stenographic and typing collective agreement negotiated between the Treasury Board and the Public Service Alliance of Canada.

The relations between employer and employee, as well as the collective agreements, were regulated under the Public Service Staff Relations Act of Canada. On February 1, 1972, by authority of the Pilotage Act, the present employer, the Great Lakes Pilotage Authority, was created in the form of a Canadian Crown corporation. Naturally, their labour relations were thereafter regulated by the Canada Labour Code and not the Public Service Staff Relations Act. Eventually, the Public Service Alliance of Canada became the certified bargaining agent of the employees under the Canada Labour Code.

Negotiations followed and the matter came before this Board due to the inability of the parties to reach a prior settlement. One of the major problems in reaching an agreement was the insistence of the employer to relate to the previous collective agreement under the prior Act, when dispatchers were classified as CR 4 employees which, in 1972, would have under that collective agreement received $8,238 as a maximum rate. The employer argued that a good number of dispatchers are covered under that collective agreement and form a workable framework to which to relate to when discussing the employees in these negotiations.

It was also the employer's position that the employees under discussion received generous fringe benefits when they became employees of the pilotage authority, which their former colleagues did not receive. In addition, the employer submitted that the employees received a 5 per cent salary increase on September 23, 1972, which their former colleagues received under the CR collective agreement. Therefore, the employees under discussion have fared very well, according to the employer, whose salaries are competitive with other employees.

The alliance remained adamant that such comparisons were not relevant. Rather, the alliance took the position that the employees in question, now being employees of the Great Lakes Pilotage Authority and working side by side with employees of another authority, e.g. the seaway authority, should be compared with such employees if indeed any comparisons were to be made. It was the alliance's submission that the employees in the bargaining unit under discussion performed similar tasks to employees employed by the seaway authority but received much less remuneration than seaway authority employees.

Mr. Armstrong, for the employer, would not agree to dropping the references to the CR classification, but insisted that the employer was not tied to the rates of wages paid in the clerical and regulatory collective agreement. However, he did emphasize that while the rates of wages did not necessarily have to be equal to the CR clerical and regulatory agreement, they would nevertheless have to remain in line with the previous agreement in order that comparisons could continue to be made in the future.

Mr. Armstrong stated that if comparisons were to be made to the Seaway Authority then the most closely associated comparison of a dispatcher would have to be that of a chief information officer employed by the Seaway Authority which, according to Mr. Armstrong, could be slightly ahead or slightly behind the rates of pay for the dispatchers at any given particular time depending upon when the various adjustments in pay took effect. The Alliance disagreed claiming that Seaway Authority employees were paid substantially more than the Great Lakes Pilotage Authority employees for work that was similar to both authorities. Therefore, it was the position of the Alliance that a significant catch-up had to be made in order to bring the Great Lakes Pilotage Authority into line.

With great respect, the Board was not given sufficient information to arrive at any recommendation respecting the appropriate increase that should be paid by the employer. Each of the parties argued its case for increments to a limited extent only, with the major thrust of the arguments being devoted to classification comparisons. We are not convinced that the increases demanded by the alliance are warranted. When pressed, the employer

submitted that the position of chief information officer of the seaway authority was most closely aligned to that of dispatcher and that no increment was required. The alliance placed its emphasis upon the fact that pilotage authority employees work side by side with employees of the seaway authority and perform similar functions. From the submissions made, we are unable to reach a definite recommendation on the issue and therefore refuse to do so.

We regret our inability in that regard, but the information to do so was not made available to us. However, the Board accepts the argument of the alliance that there can be no plausible reason why the employer must retain the classifications in the clerical and regulatory agreement that regulated the wage rates prior to February 1, 1972. It is clearly understood that the employer would wish to refer to such prior system for convenience purposes, but that does not seem to be a sufficient reason. Surely the umbilical cord must be severed in its entirety and not only that portion that one of the parties would wish to have severed. It is therefore the recommendation of this Board that references to the prior collective agreement and the classification plans therein in existence on January 31, 1972, play no further role in this set of negotiations and that the parties establish their own classifications. When that change has been made, the Board believes that the parties will be able to move in a systematic way to resolve the remaining outstanding issues.

(Sgd.) C. Gordon Simmons,
Chairman

Colin Morley,
Member

GORDON McCAFFREY REPORT

This memorandum is a dissent from the majority report of the Board of Conciliation of which I am a member, with respect to the dispute between the Great Lakes Pilotage Authority and the Public Service Alliance of Canada.

The basis of my dissent is twofold: first, the majority report correctly makes the recommendation that "references to the prior collective agreement and the classification plans therein in existence on January 31, 1972, play no further role in this set of negotiations." But it missed the opportunity to conciliate the main issue in dispute by resorting to a compromise in its supplementary recommendation, namely that "the parties establish their own classifications". It was the failure of the parties to agree on the classification system that resulted in the termination of the Board. I submit with respect that the situation required the Board to give clear direction to the parties as to the basis of a new classification system.

Secondly, the majority report should have made recommendations on each of the issues in dispute.

The classification issue will be dealt with first.

The majority report reached the conclusion that "the Board accepts the argument of the (Public Service Alliance) that there can be no plausible reason why the employer must retain the classifications in the clerical and regulatory agreement that regulated the wage rates prior to February 1, 1972." But, whereas the alliance also demonstrated (to me, at least) that there can be no plausible reason why the employer should not agree to pay wages and fringe benefits comparable to those paid to employees of the St. Lawrence Seaway Authority, the majority report says "we are unable to reach a definite recommendation in the issue and therefore refuse to do so."

The alliance's argument in favour of comparability of wages and conditions with the seaway authority was as follows:

1. When the pilotage authority was established in 1972, J.J. Brooks, general manager, offered a job transfer to employees of the Department of Transport who were then performing pilotage service functions. Current salaries and classification range were to be maintained along with accumulated leave credits, and fringe benefits (health, welfare, life insurance, etc.) "will generally be those applicable to employees of the St. Lawrence Seaway Authority..."

2. While the seaway and the pilotage authorities are separate Crown corporations, they are so closely linked in St. Lawrence Seaway operations that they could function efficiently under one board of management. It was not the alliance's or the employees' decision to set up separate authorities.

3. The members of the bargaining unit of the pilotage authority work in the same geographic locations and in the same buildings as employees of the seaway authority, and the jobs in the clerical and stenographic classifications under the two authorities are interchangeable.

4. The pilotage authority's position before the board that the pilotage authority has two sources of income (appropriations by Parliament and tariffs for services) establishes it as a Crown corporation identical as to income as the seaway authority.

5. R.G. Armstrong is chief personnel officer for the seaway authority and has been seconded by the pilotage authority to negotiate with the alliance. (Mr. Armstrong appeared on behalf of the pilotage authority before the Board.) The chief of operations of the seaway authority, R.A. Quaile, is a member of the pilotage authority. Therefore, a close working relationship was already established in the administration of the two authorities.

Before the Board, the employer representative presented arguments only with respect to point 3 above, namely, that dispatchers employed by the pilotage authority perform duties comparable to those performed by the chief information officer employed by the seaway authority. The alliance representative disagreed, claiming that a dispatcher has more onerous responsibilities.

Despite the argument heavily weighted in favour of the alliance's position, the majority report finds "we are unable to reach a definite recommendation in this issue." I believe that a recommendation by the Board advising the pilotage authority to accept the logic of the alliance's position on comparability with the seaway authority would have been profoundly instrumental in conciliating the dispute.

As to the supplementary recommendation of the majority report, that "the parties establish their own classifications," a classification of job titles is already in effect. Pilotage authority employees are hired under one of the following job titles: dispatcher, typist, pricing clerk, cashier, and accounts clerk. The alliance requested that the titles be incorporated into the collective agreement. The majority report rejects the pilotage authority's position that the job classifications be related to the clerical and regulatory (CR) and secretarial, stenographic and typing (ST) groups of the federal public service.

I believe that the majority report would have assisted in the conciliation of the issue by recommending (a) that the parties maintain the classification titles that are already in existence, (b) that jobs in the two authorities that are comparable should be paid comparable rates and fringe benefits, and (c) that rates and fringe benefits for jobs that are peculiar to the pilotage authority should be negotiated by the parties.

As to the second part of this dissent, I believe that the Board should have taken the opportunity to make substantive recommendations on all the matters in dispute. As the majority report

correctly asserts, "while the union submitted a fairly extensive brief to the Board, the employer elected to highlight the issues in brief form..." In response to the union's demands, the employer took the position that the employees had received a substantial improvement in fringe benefits when they transferred from the Department of Transport to the pilotage authority in March 1972, and a five per cent wage increase that they would have received under their previous employment, on September 23, 1972. While agreement had been reached prior to the Board in most of the provisions of the collective agreement, the employer listed the items in dispute as:

1. Paid holidays (number and payment)
2. Vacation leave (rate of accumulation, winter vacation bonus)
3. Shift premiums
4. Statement of duties / classification plans
5. General increase / term of agreement.

The employer said the fringe benefits presently enjoyed by the employees "are superior to those of the public service as well as much of the private sector," and it was only five months since the five per cent wage increase.

In view of the overwhelming argument advanced by the union, and not refuted by the majority report, I believe it would have been reasonable to recommend the following with a view to conciliating the issues in dispute:

1. **Paid holidays**

The union demanded one additional holiday, for a total of 12. The authority proposed 11.

Recommendation is for 11.

The union demanded double time plus regular pay for work on a holiday. The authority made no proposal. The employees now get time and a half for all work plus regular pay for day. The seaway authority pays double time plus regular pay.

Recommendation is for double time plus regular pay.

2. **Vacation leave**

The union demanded three weeks after 1 year, four weeks after 8, five after 18. The authority proposed three after 1, four after 14, and five after 22. The employees now get three after 1, four after 14, five after 22. The seaway provides three after 1, four after 11, five after 20.

Recommendation is for three after 1, four after 10, five after 20.

The union demanded an extra week of vacation in winter months, for all employees who are denied a summer vacation. The authority made no proposal.

Recommendation is for an extra week.

3. **Shift premium**

The union demanded 15 cents an hour on the evening shift, and 25 cents on the night shift. The authority proposed to continue the present $1 and $1.50 premiums for each shift (the equivalent of 12-1/2 cents and 18-1/2 cents an hour). The seaway pays 15 and 25 cents.

Recommendation is for 15 and 25 cents.

4. **Classification**

The union demanded there be no reference to the CR and ST classifications under the federal public service, as at present. The majority report supports that position. The authority did not agree to dropping the CR classifications.

Recommendation is for eliminating the CR and ST references.

5. **Rates of pay**

The union demanded catch-up pay of $900 to bring the employees of the pilotage authority in line with those under the seaway authority, and an increase of 9 per cent to all rates over the period of the collective agreement, January 1, 1973 to July 31, 1974. The authority made no proposal.

Recommendation is for a substantial catch-up increase, and a general increase of 8 per cent over the period January 1, 1973 to July 31, 1974.

The union demanded that the present four rate system in each job category be reduced to two effective January 1, 19733. The authority made no proposal.

Recommendation is for a two rate system.

(Sgd.) Gordon McCaffrey,
Member

Ottawa, June 12, 1973

Report of Conciliation Board established to deal with dispute between:

Atomic Energy of Canada Limited

And

Atomic Energy Allied Council and International Association of Machinists and Aerospace Workers, Lodge 608

The Board was under the chairmanship of Thomas C. O'Connor of Toronto, Ont. He was appointed by the Minister of Labour on the joint recommendation of the other two members of the Board, J.W. Healy, Q.C., of Toronto, Ont., nominee for the company, and Adrien Villeneuve of Montréal, Qué., nominee for the union. Each member of the Board contributed separately to the report.

The report was received by the Minister during August.

At the hearings in Ottawa the company and the union set forth their respective positions, and attempts were made by the members of the Board of conciliation to develop an area of settlement with the parties. We failed to do so, and after three days of meetings the hearings were adjourned. The members of the Board met in Toronto on August 3 to consider the issues in dispute and to prepare recommendations.

Following the meeting the chairman attempted to establish another meeting for the week of August 20 in Chalk River to continue negotiations with the parties. While both the company and the union were prepared to meet, it did not appear to the chairman that such a meeting would be advisable due to the pressures placed upon this Board by all concerned to bring the matter to a conclusion. I would have liked to have had the opportunity to meet with the parties again, as I believe that such a meeting would have been of assistance to the parties in reaching a collective agreement.

Recommendations

Two matters are of concern to the union. Number one is the differential between Chalk River and Whiteshell. During the current negotiations the company made a proposal that would remove the existing differential for approximately 50 per cent of the work force. In other words, 50 per cent of the work force in Whiteshell would be making the same rate of pay as its counterparts at Chalk River. The second matter of concern to the union has to do with employer contributions to the sickness and accident plan. We must note that under the employer's proposal, benefits were to be increased from 60 per cent to 66-2/3 per cent effective January 1, 1974, but the employer's contributions would remain unchanged at 75 per cent of the cost. During that set of negotiations the union sought to have the employer pay 100 per cent of the cost of the "S&A" benefits.

I have had the opportunity to review the employer's proposal in the light of current settlements in the private sector, and I would make the following proposal to the parties for settlement.

Term of the agreement: twenty four months from the previous expiry date.

Vacations with pay: Improve the employer's proposal by providing four weeks after 15 years in the second year of the collective agreement.

Shift premium: 15 cents – 21 cents for the first year of the agreement (effective April 1, 1973), and 16 cents – 22 cents for the second year (effective April 1, 1974).

Wages: 5 cents additional to the employer's proposal effective April 1, 1973, and an additional 5 cents to the employer's proposal effective April 1, 1974.

As to the differential that exists between Whiteshell and Chalk River, I believe the employer has made a substantial improvement in the matter in his proposal and that further consideration should be given to the matter in the next round of negotiations.

As to the union proposal for improvement in the employer contribution to the sickness and accident plan, I have considered the matter and have concluded that the emphasis should be placed upon direct wages. Therefore I am proposing an improvement in the employer's proposal of 10 cents an hour rather than changes in the "S&A" plan.

Dated at Toronto this 13th day of August, 1973.

(Sgd.) Thomas C. O'Connor,
Chairman of the Board

Report of Company Nominee

J.W. HEALY

I have had the opportunity of reading and considering the report of the chairman of this Board of conciliation. I regret that, despite the efforts of the Board at mediation there was a failure of a settlement in the time available. I am of the view, however, with one reservation, that the chairman's recommendations may well constitute the basis for settlement of all matters in dispute.

My reservation is with respect to the recommended additional 5 cents in each year of the two-year agreement. That amounts to approximately 2 1/2 per cent over and above that offered by the employer prior to the conciliation Board hearings. In my respectful opinion that recommendation is somewhat excessive since the company wage proposal was very substantial and in line with settlements of the time in both the private and public sectors. With that reservation I would endorse the chairman's remaining recommendations.

DATED at Toronto this 14th day of August, 1973.

(Sgd.) J.W. Healy, Q.C.,
Member

At the hearings in Ottawa the company and the union set forth their respective positions, and attempts were made by the members of the Board of conciliation to develop an area of settlement with the parties. We failed to do so, and after three days of meetings the hearings were adjourned. The members of the Board met in Toronto on August 3 to consider the issues in dispute and to prepare recommendations.

Following the meeting the chairman attempted to establish

another meeting for the week of August 20 in Chalk River to continue negotiations with the parties. While both the company and the union were prepared to meet, it did not appear to the chairman that such a meeting would be advisable due to the pressures placed upon this Board by all concerned to bring the matter to a conclusion.

The Atomic Energy Allied Council submitted to the Board a list of all items in dispute. The council reduced its demands (non-monetary) to a minimum, as a first move to open the way to conciliation.

The chairman tried very hard to bring about a settlement and again the council made another move, proposing a package that was rejected by the employer through the chairman.

In view of reasons advanced by the council to substantiate its demands I feel justified in recommending the following.

I join with the chairman's report in

Term of agreement: Twenty-four months from the previous expiry date.

Vacations with pay: Improve the employer's proposal by providing four weeks after 15 years but in the first year of the agreement.

I also recommend the following:

Sickness and accident: Company to pay 100 per cent of the premiums with no U.I.C. rebate.

Shift Premiums: Shift No. 3 — 14 cents to 19 cents
Shift No. 1 — 19 cents to 24 cents an increase of 5 cents additional.

Holidays: One additional

Vacations with pay: Five weeks after 22 years.

Wages:

1) Elimination of Whiteshell differential;

2) Upgrading certain labour groups as proposed by the council;

3) Higher progression for apprentices:

4) Additional to the employer's proposals rejected by the council membership: Effective April 1, 1973 — 12 cents more Effective April 1, 1974 — 8 cents more.

Supplementary articles proposals of allied council:

Art. I — Sub-contracting
Art. J — Leave of absence
Art. K — Retroactivity to April 1, 1973.

I submit the entire cost of my recommendations would mean an additional 8 per cent over the package turned down by the council membership.

Here is a breakdown of the 8 per cent proposed:

Vacations with pay:	1.0 per cent
Sickness and accident	0.5 per cent
Shift differential, holidays	
Whiteshell differential and upgrading	1.5 per cent
Wages	5.0 per cent
Total	8.0 per cent

DATED at Montreal, this, 17th day of August 1973.

(Sgd.)
Adrien Villeneuve,
Member

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CONCILIATION BOARD REPORTS

Boards of Conciliation

No 3, 1973

Conciliation Board Reports in disputes between:

Atomic Energy of Canada Limited (Power Projects) Sheridan Park, Ontario, and Sheridan Park Atomic Energy Draftsmen, Local 1645

Canadian National Hotels Limited (Hotel Fort Garry) and Canadian Brotherhood of Railway, Transport and General Workers

Alberta Wheat Pool, Vancouver, and Grain Workers Local Union 333, International Union of United Brewery, Flour, Cereal, Soft Drink and Distillery Workers of America

Maritime Employers Association and The International Longshoremen's Association, Alaska Trainship Corporation and Canadian Merchant Service Guild

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CANADA DEPARTMENT OF LABOUR

Hon. John Munro, Minister

W.P. Kelly, Acting Deputy Minister

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Ottawa, 1974
Cat. No. L13-6/1973

The Conciliation Commissioner appointed by the Minister of Labour to deal with a dispute between Atomic Energy of Canada Limited (Power Projects), Sheridan Park, Ontario, and Sheridan Park Atomic Energy Draftsmen, Local 1645 (CLC), was Professor Donald Fraser of Ottawa.

His report was received by the Minister in November.

On October 18th, 1973 I was appointed Conciliation Commissioner with respect to a dispute between Atomic Energy of Canada Limited (Power Projects), Sheridan Park, Ontario, and Sheridan Park Atomic Energy Draftsmen, Local 1645.

The following is my report pursuant to Section 168(1) of the Canada Labour Code.

The parties met with me on Monday, October 22, 1973; Thursday, November 1, 1973; and Friday, November 9, 1973.

At the meeting of November 9, 1973, a proposal was formulated for settlement of the dispute, and the union agreed to present that proposal to their membership for a vote of ratification.

Such a vote was held on Wednesday, November 14, 1973, at which time the proposal failed to gain approval. Although that vote comprised a rejection of the proposal, it was not conclusive of the wishes of the membership in that more than a few of the membership abstained from voting.

In view of the results of that vote, and mindful both of the positions taken by the parties during conciliation, and of current collective bargaining settlements in comparable industries, I am making the following recommendations which I believe form a reasonable basis for settlement of the dispute.

RECOMMENDATION # 1.

Article 1 — Recognition

1.01 The Company recognizes the Union as the sole bargaining agent for all employees of the Company at Sheridan Park classified as Design Technologist, Design Specialist, Senior Designer, Technical Illustrator Special, Senior Design Draftsman, Senior Technical Illustrator, Design Draftsman II, Technical Illustrator, Design Draftsman I, Draftsman Detailer, Student Draftsman, Tracer Section Head, Tracer and Student Tracer but excluding the Head of the Drawing Office, Chief Draftsman and other supervisory personnel, those employed in a professional capacity, Engineering Technologists, Engineering Assistants, Development Technologists, Development Technicians, Laboratory Attendants, Nursing personnel, Administrative/Clerical personnel, part-time, short-term employees and students.

RECOMMENDATION # 2.

Article 5 — Company Rules

5.01 No change

5.02 Renumber to 5.03 and reword as follows:

In the event there is a conflict between this Agreement and the rules and regulations published by the Company that affect employees, then the terms of the Agreement will apply. Should the Company issue a new or revised Standard Policy and Procedure which conflicts with the terms of this Agreement, it may offer to apply the new or revised Standard Policy and Procedure to the bargaining unit. Acceptance by the union of any such offer, shall constitute an amendment to the Agreement.

5.03 Renumber to 5.02

RECOMMENDATION # 3.

Article 15 — Group Insurance Plans

The following plans, or replacement plans as necessary to provide equivalent coverage on the same allowance or cost sharing basis, will apply for the duration of this Agreement:

(a) *Hospital & Medical*

The Company will pay a monthly Medical-Hospital allowance of $9.25 (single coverage) and $20.00 (family coverage) to employee subscribers in the Company groups of the following:

(i) Ontario Health Insurance Plan

(ii) Blue Cross Semi-Private Hospital Supplement Plan

(iii) Blue Cross Extended Health Care Plan

(b) *Life*

The Company will pay 50% of the premium cost of the Mutual Life Plan G960.

RECOMMENDATION # 4.

Article 16 — The Public Service Superannuation Act

16.02 At the death of an employee who was eligible and chose to contract out of Part 2 of the Act, an amount equal to two months' salary will be paid to the widow/widower or estate.

RECOMMENDATION # 5.

Article 17 — Leave Plans and Regulations

17.02 (b) (ii) Employees who have completed 6 months or more service by April 1 will be credited with annual vacation as follows, except as noted in (iii) below:

Continuous Service By April 1	Vacation Credit Effective April 1
½ but less than 11¾ years	15 days
11¾ but less than 12¾ years	16 days
12¾ but less than 13¾ years	17 days
13¾ but less than 14¾ years	18 days
14¾ but less than 15¾ years	19 days
15¾ but lessthan 18¾ years	20 days
18¾ but less than 22¾ years	21 days
22¾ but less than 26¾ years	22 days
26¾ or more years	23 days

(iii) Employees whose continuous service commenced prior to 1 October 1963, who have been or elect to be credited with 5 weeks' Furlough Leave (see SPP CW-35) on the anniversary date of their completion of 20 years' continuous service, will receive 5 days less vacation than shown in (b) (ii) above for each of the five years following the vacation year in which they complete 20 years of service; the table in (b) (ii) above applies again beginning with the vacation year in which they complete 26 years' service.

RECOMMENDATION # 6.

17.04 SPECIAL LEAVE

(a) No change.

(b) Consideration will also be given in certain other exceptional circumstances. The number of days allowed will depend on the circumstances of the individual case.

(c) No change.

RECOMMENDATION # 7.

Article 18 – Compensation on Termination

Delete the asterisk before Article 18 and the following note which appears after Article 18.05:

"*Article 18 – 'Compensation on Termination' does not apply to this Agreement (June 1, 1971 – May 31, 1973) until September 1, 1971. Until August 31, 1971, Article 17 and Article 18.05 of the past Agreement (June 1, 1969 – May 31, 1971) will continue in effect."

RECOMMENDATION # 8.

Article 18 – Compensation on Termination

18.02 *Layoff*

(a) An employee who has one year or more of continuous service and is:

(i) Laid off for the first time after 1 September 1971 will be paid an amount equal to two weeks' pay for the first and one week's pay for each succeeding completed year of continuous service, less any period of service in respect of which he was previously granted termination compensation, up to a maximum of thirty weeks' pay.

(ii) Laid off for a second or subsequent time after 1 September 1971 will be paid an amount equal to one week's pay for each completed year of continuous service less any period of service in respect of which he was previously granted termination compensation, up to a maximum of thirty weeks pay.

(b) No change.

RECOMMENDATION # 9.

Article 18 – Compensation on Termination

18.04 *Retirement*

Compensation on retirement will be on the following basis and other regulations will be as specified in the relevant Company procedure (currently SPP CW-41): An employee who on termination is entitled to an immediate annuity, or who has attained the age of fifty-five and is entitled to an immediate annual allowance, under the Public Service Superannuation Act, will be paid an amount equal to one week's pay for each completed year of continuous service, less any period of service in respect of which he was previously granted termination compensation, up to a maximum of thirty weeks pay.

RECOMMENDATION # 10.

Article 19 – Company Holidays

19.01 It is agreed that there shall be 10 Company holidays in each calendar year, to fall on Monday to Friday inclusive. During the life of this Agreement, the Company holidays will be as follows:

	1973	1974	1975
New Year's Day		January 1	January 1
Good Friday		April 12	March 28
(Easter Monday)		(April 15)	(March 31)
Victoria Day		May 20	May 19
Dominion Day	July 2	July 1	
Civic Holiday	August 6	August 5	
Labour Day	September 3	September 2	
Thanksgiving	October 8	October 14	
Christmas	December 25	December 25	
Boxing Day	December 26	December 26	

For 1974 and 1975 the holiday formerly designated Easter Monday will be observed on a date selected as a result of discussions between the Company, Union and other employee groups at Power Projects. The date on which this holiday will be observed shall be resolved not later than January 31 of the year in which it occurs. In the event that agreement cannot be reached by that date the holiday will be observed on the dates shown in brackets in the above list.

RECOMMENDATION # 11.

Article 20 – Hours of Work

20.01 The standard work week shall average thirty-seven and one-half hours – normally 8:15 a.m. to 4:15 p.m., Monday to Friday, inclusive, with a lunch period of thirty minutes per day. The Company will consult with the Union before instituting any changes from normal hours of work as set out above.

RECOMMENDATION # 12.

Article 21 – Salaries

21.01

(c) Should it be necessary to assign an employee to duties differing substantially from those provided for in any of the established job specifications, the Company shall prepare a new specification, shall provide copies to the Union, and shall group the job in the appropriate salary range relative to the grouping of existing classifications. The Union may request the Company to review the content of a particular

job to ascertain whether or not a new specification is required, or review the new specification to determine if it should be in a different classification. Opportunity will be given to the Union to present a case in any such reviews.

RECOMMENDATION # 13.

Article 21 – Salaries

21.02 Job specifications will be grouped as follows in the various salary ranges for the life of the Agreement, and employees will be paid in accordance with the ranges applicable to the job specifications:

Range	
PD-1	Student Draftsman
PD-2	Draftsman Detailer
PD-3	Design Draftsman I Design Technologist 3
PD-4	Design Draftsman II Technical Illustrator Design Technologist 4
PD-5	Senior Design Draftsman Senior Technical Illustrator Design Technologist 5
PD-6	Senior Designer Technical Illustrator Special Design Technologist 6
PD-7A	Design Specialist
PD-7	Design Technologist 7
PD-Tr 1	Student Tracer
PD-Tr 2	Tracer
PD-Tr 3	Tracer Section Head

PD 1

1972	INC	1 JUN. 73	INC	1 JUN. 74 (To 31 JUL. 75)
4772	383	5155	415	5570
3 steps		3 steps		
4972	383	5355		
		5405	415	5820
				5870
5022	433	5455	465	5920
10 steps		10 steps		
5572	433	6005	465	6470
				6520
		6055	515	6570
5622	483	6105		
4 steps		4 steps		
5872	483	6355	515	6870

PD 2

1972	INC	1 JUN. 73	INC	1 JUN. 74 (To 31 JUL. 75)
		6440	545	6985
		5 steps		
6237	503	6740		
3 steps		3 steps		
6437	503	6940		
		6990		
6487	553	7040	545	7585
				7635
		7090	595	7685
10 steps		9 steps		
7037	553	7590		
		7640	595	8235
				8285
7087	603	7690	645	8335
4 steps		4 steps		
7337	603	7940	645	8585

PD 3

1972	INC(%)	1 JUN. 73	INC	1 JUN. 74 (To 31 JUL. 75)
7393	622	8015	620	8635
		8065	620	8685
				8735
		8115	670	8785
11 steps		9 steps		
7993	622	8615		
		8665	670	9335
				9385
8043	672	8715	720	9435
10 steps		10 steps		
8593	672	9265		
		9315	720	10035
				10085
8643	722	9365	770	10135
4 steps		4 steps		
8893	722	9615	770	10385

PD 4

1972	INC	1 JUN. 73	INC	1 JUN. 74 (To 31 JUL. 75)
		9725	755	10480
		9775		
		9825	755	10580
				10630
		9875		
		9925	805	10680
9234	741	9975		
3 steps		3 steps		
9434	741	10175		
		10225		
9484	791	10275		
		10325	805	11130
				11180
5 steps		10375	855	11230
		3 steps		
9784	791	10575	855	11430
4 steps		4 steps		
10034	791	10825		
		10875		
10084	841	10925		
		10975	855	11830
				11880
		11025	905	11930
5 steps		3 steps		
10384	841	11225		
		11275		
		11325	905	12230

PD 5

1972	INC	1 JUN. 73	INC	1 JUN. 74 (To 31 JUL. 75)
10665	840	11505	910	12415
1 step		1 step		
10765	840	11605		

PD 5 Con't.

1972	INC	1 JUN. 73	INC	1 JUN. 74 (To 31 JUL. 75)
		11655		
10815	890	11705		
		11755		
		11805	910	12715
				12765
		11855	960	12815
11 steps		8 steps		
11415	890	12305		
		12355		
11465	940	12405		
		12455	960	13415
				13465
		12505	1010	13515
5 steps		3 steps		
11765	940	12705		
		12755		
		12805	1010	13815

PD 6

1972	INC	1 JUN. 73	INC	1 JUN. 74 (To 31 JUL. 75)
12135	950	13085	1020	14105
3 steps		3 steps		
12335	950	13285		
		13335		
12385	1000	13385	1020	14405
				14455
		13435	1070	14505
10 steps		9 steps		
12935	1000	13935		
		13985		
12985	1050	14035	1070	15105
				15155
		14085	1120	15205
6 steps		5 steps		
13335	1050	14385	1120	15505

PD 7A

1 JUNE 73	INC	1 JUN. 74 (To 31 JUL. 75)
14690	1130	15820
7 steps		
15090	1130	16220

PD 7

1972	INC	1 JUN. 73	INC	1 JUN. 74 (To 31 JUL. 75)
13614	1076	14690	1130	15820
		5 steps		
		14990	1130	16120
				16170
9 steps		15040	1180	16220
		2 steps		
14114	1076	15190		
		15240		
14164	1126	15290		
5 steps		5 steps		
14464	1126	15590		
		15640	1180	16820
				16870
		15690	1230	16920
		5 steps		
		15990	1230	17220

PD-TR 1

1972	INC	1 JUN. 73	INC	1 JUN. 74 (To 31 JUL. 75)
4222	343	4565	370	4935
4 steps		4 steps		
4472	343	4815		

PD-TR 1 Con't.

1972	INC	1 JUN. 73	INC	1 JUN. 74 (To 31 JUL. 75)
		4865	370	5235
				5285
4522	393	4915	420	5335
10 steps		10 steps		
5072	393	5465	420	5885
				5935
		5515	470	5985
5122	443	5565		
4 steps		4 steps		
5372	443	5815	470	6285

PD-TR 2

1972	INC	1 JUN. 73	INC	1 JUN. 74 (To 31 JUL. 75)
		5890	490	6380
		3 steps		
5637	453	6090		
2 steps		2 steps		
5787	453	6240		
		6290		
5837	503	6340	490	6830
				6880
		6390	540	6930
11 steps		10 steps		
6437	503	6940	540	7480
				7530
		6990	590	7580
6487	553	7040		
4 steps		4 steps		
6737	553	7290	590	7880

1972	INC	1 JUN. 73	INC	1 JUN. 74 (To 31 JUL. 75)
		7515	615	8130
		4 steps		
7193	572	7765		
2 steps		2 steps		
7343	572	7915		
		7965	615	8580
				8630
7393	622	8015	665	8680
11 steps		11 steps		
7993	622	8615	665	9280
				9330
		8665	715	9380
8043	672	8715		
4 steps		4 steps		
8293	672	8965	715	9680

RECOMMENDATION # 14.

Article 21 — Salaries

21.04 The administration of the various salary ranges shall be as follows:

(a) *Ranges PD-1, 2 and 3 and PD-Tr 1*

Each of the ranges will be administered on a service progression basis under which the salary of an employee, provided his service is satisfactory, will be increased annually by a minimum of $350 (with a final smaller amount, if necessary) until he reaches the top step of his range. (No employee in Ranges PD-1 or 2 and PD-Tr 1 who is qualified for promotion, shall be held at the top of the range for more than 2 years.)

(b) *Ranges PD-4 and 5 and PD-Tr 2 and 3*

(i) Advancement up to the underlined step only in Range PD-4 will be administered on a service progression basis under which the salary of an employee, provided his service is satisfactory, will be increased annually by a minimum of $200 (with a final smaller amount, if necessary.)

(ii) For employees paid at the underlined step and higher in Range PD-4 and for those paid in Ranges PD-5, PD-Tr 2 and 3, the Company will administer salaries on a merit basis. When an increase is given it shall be a minimum of $200 (with a final smaller amount, if necessary) until he reaches the top step of his range.

(c) *Ranges PD-6, 7A and 7*

For these ranges, the Company will administer salaries on a merit basis. When an increase is given it shall be a minimum of $250 (with a final smaller amount, if necessary) until he reaches the top of his range.

RECOMMENDATION # 15.

Article 21 — Salaries

21.06 The performance of each employee will be discussed with him once each year during the review period and a completed copy of his review form will be shown to him on request.

(Replaces present 21.05)

RECOMMENDATION # 16.

Article 21 — Salaries

21.05 Notwithstanding other provisions in this Article, employees hired after 1 January 1974 on the basis of newly-attained educational qualifications recognized by the Company will be classified under a special title, such as New Graduates, and paid initially at an established rate, determined each year by the Company, for each qualification. This will be entirely separate from and not subject to general increases applying to the normal salary ranges. All such employees, however, will be placed in the appropriate classification and on the normal salary scale, with a minimum increase of $400 per annum, provided their service has been satisfactory, by the first normal review date (effective 1 April) following their hiring, if they have then completed ten months of service; if not, by the first of the month following completion of ten months of service.

(Renumber present 21.05 as 21.06.)

RECOMMENDATION # 17.

Article 22 — Overtime

22.01 General Regulations

(a) and (b) — No change

22.02 Overtime Beyond Normal Daily Hours

(Former 22.01 (c))

22.03 Overtime on Days of Rest

Authorized work performed on days of rest (Saturday and Sunday) shall be paid at the rate of time and one-half. Notwithstanding, if after working on his first day of rest (Saturday), an employee is required to work on his second consecutive day of rest (Sunday), he shall be paid at the rate of double time for all authorized work performed on his second consecutive day of rest (Sunday). An employee shall also be paid at the rate of double time for all authorized work in excess of seven and one-half hours on his second day of rest (Sunday) regardless of whether or not he worked on

his immediately preceding day of rest. (Travel does not constitute work.)

22.04 Work on a Company Holiday

An employee who is required to work on a Company holiday shall, in addition to his normal salary, be paid for the first seven and one-half hours worked at the rate of time and one-half. He will be paid at the rate of double time for authorized work in excess of seven and one-half hours on a Company holiday.

22.05 Overtime Meal Allowance

(Former 22.02)

22.06 Scheduled Overtime

(Former 22.04)

22.07 Payment for overtime Work

(Former 22.05)

22.08 } New provisions on travel — previously agreed — to be
22.09 } renumbered from 22.06 and 22.07, respectively.

Recommendation # 18.

22.06 *Travelling To and From Outside Assignments*

When an employee is travelling to an outside assignment, or returning from such assignment, he shall receive compensation for actual time spent in travelling, on the following basis:

(a) When an employee travels on a day that is not his day of rest,

(i) he shall receive, subject to (ii) immediately following, his normal salary but no additional compensation;

(ii) he shall, if he has worked on that day and is required to travel outside his normal hours of work, be additionally compensated at his regular rate for any time he is required to spend in travelling outside his normal hours of work, to a maximum of six hours pay at his regular rate.

(b) When he travels on his day(s) of rest and does not receive any overtime compensation for other reasons, he shall receive for any one day, overtime pay at time and one-half for the actual time spent in travelling, to a maximum of one day (seven and one-half hours) at time and one-half.

(c) When he travels on one of his days of rest and for other reasons receives overtime compensation for a period of less than seven and one-half hours, for the day, he shall be paid at time and one-half for actual time spent in travelling which when added to the time for which he receives overtime compensation for other reasons, totals seven and one-half hours. For any additional time spent in travel, he will be paid at his regular rate, to a maximum of six hours.

(d) When he travels on one of his days of rest and for other reasons receives overtime compensation for a period of seven and one-half hours or more for the day, he will be paid at his regular rate for the actual time spent in travel to a maximum of six hours.

22.07 When an employee is sent by the Company on an outside assignment with the main purpose of learning about new developments, techniques, equipment, etc., or to deliver a paper, he will receive full normal salary, but will be ineligible for additional compensation. Such cases will be discussed in advance with the Union.

RECOMMENDATION # 19.

23.02 Dues Deductions

(a) The Company will deduct a sum equal to the regular monthly dues from the monthly salary payment of all employees, in the bargaining unit on the first working day of any month, to the extent that sufficient unencumbered earnings are payable to the employee.

(b), (c) and (d) — No changes.

RECOMMENDATION # 20.

Article 24 — Principles Covering Length of Service

24.03 (a) For each member of the bargaining unit as of June 1, 1973, seniority shall date from his date of last hiring by AECL irrespective of the classification in which he was hired.

(b) For each employee who enters this bargaining unit after June 1, 1973, seniority shall date from entry into the bargaining unit, upon completion of a probationary period of ninety working days (excluding all leave except Company holidays) in the bargaining unit except those employees who have previously served a probationary period in the bargaining unit will not have to serve another probationary period upon re-entering the bargaining unit, provided there is no break in Company service. Additional seniority credit shall be granted as follows:

(i) Where an employee had previously been in the bargaining unit and re-enters the bargaining unit without a break in Company service:

(A) Where he left the bargaining unit prior to June 1, 1973, full credit shall be given for all his service with the Company from his last date of hire until his departure from the bargaining unit.

(B) Where he left the bargaining unit on or after June 1, 1973, full credit shall be given for all seniority to his credit at the time of his departure from the bargaining unit.

(ii) Where an employee enters the bargaining unit from other employment with the Company, full credit shall be given for such of his prior service since his last date of hire as is agreed by representatives of the Company and the Union to be pertinent.

RECOMMENDATION # 21.

Article 26 — Duration and Amendment of Agreement

26.01 (a) This Agreement, when signed by the parties hereto, shall become effective on (date of ratification by the union membership), except as otherwise specified herein, and shall remain in full force and effect until 31 July 1975

and from year to year thereafter, unless amended or terminated in the manner later provided herein.

(b) Retroactivity to 1 June 1973 will apply only for employees on strength on (the date of signing the Memorandum of Agreement) and only in respect of:

(a) The wage scale for both normal hours and overtime hours worked except for the double time provisions in Article 22.

(b) Medical and Hospital Allowance

26.02 If either the Company or the Union desires to terminate or amend this Agreement, it must notify the other party in writing between 1 May and 31 May 1975 inclusive. Whenever notice is given for proposed amendments, the nature of the proposed amendments desired must be specified in the notice and until satisfactory conclusion is reached in the matter of the proposed amendment the original provisions shall remain in effect.

RECOMMENDATION # 22.

Job Specification — Design Specialist

Duties: To perform the functions outlined for Senior Designer and Technical Illustrator Special at an unusually high level of ability and competence.

Qualifications:

Education and Experience

Honours High School or Technical School graduation, plus a minimum of 20 years' pertinent experience.

Knowledge, Skills and Abilities

As for Senior Designer and Technical Illustrator Special.

RECOMMENDATION # 23.

Item for Supplementary Letter

Recognition

(a) The location Sheridan Park, as used in Article 1.01, is considered as including the building at 2251 North Sheridan Way, Mississauga, Ontario.

(b) Power Projects employees in classifications represented by this union who are attached from Sheridan Park to other locations will be considered to remain in the bargaining unit unless and until transferred or reclassified such as to take them out of the bargaining unit.

RECOMMENDATION # 24.

Item for Supplementary Letter

BULLETIN BOARDS

Notwithstanding the provisions of Article 9.01 of the current collective agreement, the Company will allow the Union Executive to post, without the permission of the appropriate Company representative, notices of Union meetings and elections, social and recreational events, and the names of Union representatives, provided the Company does not encounter problems with this practice.

RECOMMENDATION # 25.

ITEM FOR SUPPLEMENTARY LETTER

Continuation of Group Insurance Plan Coverage During Periods of Absence Without Pay.

(a) Hospital/medical, and group life insurance coverages will normally be maintained during periods of absence without pay. The employee will be informed in writing of any discontinuance of coverage and it will be discussed with the Union President.

(b) The Company will continue to pay the M & H Allowance and its other contributions to the premium costs of these plans in absences without pay which do not extend through a full calendar month (from first day to last day, inclusive) and in other cases where the absence without pay is due to illness or injury. In other absences without pay the employee will normally be required to pay the full cost of these plans.

(c) Unless an alternative arrangement is made, the employee will be re-billed monthly for either his share or the total premium costs, as applicable.

(d) Should these monthly billings not be paid, the monies owing will be recovered either:

(i) via pro-rated salary deductions on the employee's return to work; or

(ii) from termination credits such as vacation pay if his employment terminates; or

(iii) other appropriate sources.

RECOMMENDATION # 26.

Item for Supplementary Letter

SPECIAL LEAVE

The Company intends to modify Standard Policy and Procedure CW-32, to provide the following:

(a) Section 4 — Special leave may be granted for emergency illness in the family and in special circumstances relating to illness in the family, up to a maximum of 10 days in the fiscal year . . .

(b) Section 5 — Special leave of up to one day will be granted to an employee when his wife gives birth if he has reason to miss work on this account.

(c) Section 6 (b) — Special leave not exceeding one day (two days where extensive travel is required) may be granted in the case of death of an employee's grand-parent, grandchild, son-in-law, daughter-in-law, brother-in-law or sister-in-law.

RECOMMENDATION # 27.

Item for Supplementary Letter

Duration and Amendment of Agreement

Notwithstanding the provisions of Article 26.02, the Company and the Union are prepared to exchange amendment proposals in March 1975 and commence negotiations in April 1975 for the renewal of the collective agreement expiring 31 July 1975.

RECOMMENDATION # 28.

Supplementary Letter

Delete items 7, 10, 12 and 14 from the letter of 22 June 1971. All other items from the letter of 22 June 1971 are to be carried forward in a new supplementary letter together with the additional new items so specified in this Memorandum of Agreement.

RECOMMENDATION # 29.

Supplementary Letter

14. (Revise as follows)

Although the Company is not prepared to consider adding to or modifying the existing sick leave plan at the present time, it has studied the representations made by the Union and it recognizes that sickness coverage is limited in certain areas and that there is need for some type of additional protection on a partial pay basis. However, the Company is unable to assess the requirements for additional protection at this time.

Donald Fraser
Conciliation Commissioner.

Report of Conciliation Commissioner appointed to deal with dispute between:
Canadian National Hotels Limited (Hotel Fort Garry)
and
Canadian Brotherhood of Railway, Transport and General Workers

The Conciliation Commissioner appointed by the Minister of Labour to deal with a dispute between Canadian National Hotels Limited (Hotel Fort Garry), Winnipeg, Manitoba, and Canadian Brotherhood of Railway, Transport and General Workers was J.S. Gunn of Winnipeg.
His report was received by the Minister in November.

The Commissioner met with the parties in joint and separate session on November 20, 21 and 22 in the Hotel Fort Garry, Winnipeg, Manitoba. Comprehensive written submissions were presented to the Commissioner on behalf of all parties with respect to all issues in dispute between them and the parties were given full opportunity for rebuttal. Throughout the proceedings a concerted effort was made to mediate this dispute.

Your Commissioner has endeavoured to weigh the written and oral submissions presented in the joint and separate sessions and is recommending the following changes in the expectation that such will provide an avenue for an accommodation on two key issues that frustrated the possibility of a complete settlement before the Commissioner:

Item No. *Article*

1. Article 2 — Definitions

2.1(b) — Full-time employee
2.1(c) — Part-time employee

The Commissioner recommends no change or revision in the definitions of full-time and part-time employees.

2. Article 3 — Deduction of dues

3.8 — Remission of union dues

No change

3.12 — Union dues — part-time employees

It is recommended that changes be made in this article to provide for the payment of an amount equivalent to the uniform monthly dues by part-time employees.

3. Article 5 — Bulletining of positions

5.4 — "Assigned days off duty and hours of duty" (NEW PROVISION)

Recommended that this wording be added to present sub-article.

5.8 — Explanation of duties

No change.

4. Article 6 — Hours of service

6.2 — Split-shift assignments

6.3 — " " "

No change.

6.4 — Split-shift differential

Your Commissioner recommends that the split-shift differential be increased to $1.00 per day for all employees required to work a split shift.

5. Article 7 — Overtime and Calls

7.7 — Waiter assignment — special functions.

No change.

6. Article 11 — Statutory holidays

11.1 Days assigned

Your Commissioner recommends the addition of Remembrance Day to the list of General holidays given in the article.

7. Article 12 — Vacations

12.1 — Vacation entitlements
12.2 — " "
12.3 — " "

It is recommended that Article 12.3 be amended by the deletion of "eighteen" in the fourth line, to be substituted by "sixteen". With the exception of the aforementioned your Commissioner recommends no other change in the present Article with respect to establishing entitlement for vacation periods.

12.12 — Application for vacation
12.12 — " " "

No Change.

12.14 — Application for vacation

New provision agreed to.

8. Article 13 — Leave of absence

13.9 — Return from leave of absence

Delete figures "5.11" on the fourth line and replace by adding figures "5.9".

9. Article 14 — Grievance procedure

14.3 — Procedure — Allegations of improper discharge or discipline.

The Commissioner has noted the principle sought that an employee who has completed his probationary period and is subject to discharge or disciplinary suspension for an alleged offence should be given a pre-hearing before penalty is imposed. It is recommended that the investigative procedure agreed to by the Brotherhood in another company hotel be written into the new agreement as follows:

"An employee subject to discipline or discharge will be notified of the Company's decision as soon as possible but in no case later than three calendar days after the discovery of the offence. Should an employee believe that he has been unjustly disciplined or discharged he may within three calendar days of notification of his discipline or discharge make application to have his case reviewed by Management. Such a review will be held within three calendar days of the employee's written request for review at which time the employee may present evidence on his behalf. The employee may be assisted by a fellow employee, and/or a representative of the Brotherhood, during the review of his case. If the employee is still unsatisfied following the review, his complaint shall be dealt with in accordance with the above-mentioned grievance procedure starting at Step Number Three."

10. Article 20 — Miscellaneous

(a) 20.10 — Labour Management Consultation Committee

Recommended that the word "voluntarily" be added immediately prior to the word "co-operate" in the second line.

(b) New clause — Paid up life insurance — on retirement

(c) New clause — Provision for accumulative sick leave

Having regard to Health and Welfare benefits provided by the Company to employees covered by this agreement your Commissioner recommends against the proposals marked (b) and (c) above advanced by the Brotherhood.

(d) New clause — Filling of "official" or "excepted" positions

Recommended that the clause proposed by the Brotherhood in the submission of May 31, 1973 be adopted with the exception that the word "consideration" be substituted for the word "preference" immediately following the words "will be given" in the referenced submission.

11. Additional amendments proposed by the Brotherhood.

(a) — *Float*

"The Company shall provide each employee who handles cash with a specified advance, which will be accounted for on a daily basis by the employee. Employees who are required to run cash registers and/or accounts for revenue transactions shall be arranged with a separate key and shall be responsible for his daily remittance."

The Company's submission on this issue is that the procedure for administering employees money floats (security boxes) has been in existence for many years and is standard throughout company hotels. These practices are also common in the outside industry. Your Commissioner recommends to the parties the following provision:

"Should a check of the float be deemed necessary by management such a check shall be carried out in the presence of a witness. The witness shall be the Local Chairman or his designated representative."

This provision shall be added to the document of existing rules and procedures regarding the handling of cash floats which is signed and witnessed by all employees assigned floats.

(b) — *Pensions*

"It is agreed that when improvements negotiated by the non-operating and operating Unions and the Canadian National Railways Plan are effective, these same improvements will apply to the employees covered by this agreement".

The Company has advised the Commissioner that it will accede to the aforementioned proposal but in doing so asks that the Brotherhood take into account the high cost of implementing the plan for employees of the hotel when consideration is being given to the matter of wage increases.

12. Agreement Schedule "A" — Rates of Pay

(a) — *Re Classification Adjustments*

With the reservations noted below your Commissioner recommends acceptance of the following hourly rate adjustments and new classification as contained in the Company's brief:

Night Auditor	— 10¢	
Night Telephone Operator	— 5¢	
Chef de Partie — Sauce Cook	— 25¢	(New classification)
— Swing Cook	— 25¢	" "
— Night Cook	— 25¢	" "
— Garde Manger	— 25¢	" "
— Roast Cook	— 10¢	" "
— Production Cook	— 10¢	" "
Butcher	— 25¢	
Pastry Chef	— 25¢	
First Cook	— 10¢	
Assistant Pastry Cook	— 10¢	
General Cook	— 20¢	
Painter	— 15¢	
Food Checker	— 4¢	
Assistant Housekeeper	— 4¢	
Maid	— 4¢	
Laundry Operator	— 2¢	
Head Kitchen Attendant	— 15¢	
Kitchen Attendant	— 10¢	
Kitchen Equipment Cleaner	— 2¢	
Kitchen Steward	— 10¢	

With respect to the Roast Cook, Production Cook and Painter it is the opinion that the Company should further review the adjustment offers to these classifications, in consultation with representatives of the Brotherhood.

(b) — *Rates of Pay*

Following on the aforementioned classification adjustments the Commissioner recommends to both Parties the following wage adjustments:

	Effective August 1, 1973	Effective August 1, 1974
Gratuity Employees	7%	7%
Non-gratuity employees	7%	8%

(Adjustments to be compounded)

13. Article 21 — Duration of Agreement

Agreement to be effective from August 1, 1973 until July 31, 1975.

14. Company proposals:

Article 5 — Bulletining of positions

5.6 — Company appointments

It is recommended that this sub-article be amended by the addition of (d) "Front Office Cashier".

Article 10 — Rates of pay

10.2 — Temporary assignment to higher rated position

It is recommended that the following be added after the word assignment in the fifth line:

"in the kitchen department, the higher rate of pay will only be applied when such temporary assignment is for three (3) hours or more accumulative".

All of which is respectfully submitted.

(Sgd:) J.S. Gunn, Commissioner

Report of Board of Conciliation and Investigation established to deal with dispute between:

Grain Workers Local Union 333, International Union of United Brewery, Flour, Cereal, Soft Drink and Distillery Workers of America (representing a unit of office employees)

and

Alberta Wheat Pool, Vancouver, B.C.

The Board was under the Chairmanship of Professor Joseph C. Smith of Vancouver, appointed by the Minister of Labour in the absence of a joint recommendation from the other members of the Board, R. A. Mahoney and John W. Campbell, both of Vancouver, who were previously appointed on the nomination of the company and union, respectively.

The Board was able to assist the parties in reaching a settlement following which its report was received by the Minister in December.

The Board held hearings at the City of Vancouver on the 19th and 20th of November, 1973, and met as a Board with the parties on the 23rd and 24th of November to consider the evidence and arguments adduced at the hearings and to aid the parties to reach an agreement. At the commencement of the hearings 28 items remained in dispute between the parties. After the formal hearings were held and arguments presented, and after separate consultation with the parties the board concluded that it could best serve the interests of the parties by attempting to conciliate the dispute. As the result of these efforts all outstanding items were agreed upon and the following memorandum of agreement was drafted and signed.

Memorandum of Understanding between Alberta Wheat Pool of 1111 West Hastings Street, Vancouver, B.C. and Grain Workers Union Local No. 333

This memorandum of settlement made by the employer, Alberta Wheat Pool, to Grain Workers Union, Local 333 in respect of a unit of office employees of the employer at 1111 West Hastings Street, Vancouver, B.C.

The memorandum is based in all respects on the Collective Agreement now expired and dated the 18th of July, 1972, and incorporates all the terms and conditions of that Agreement except where specifically varied by this memorandum of understanding.

4.03 Every employee in the bargaining unit who at the date of this Agreement is not a member of the Union shall, as a condition of his employment, authorize the Company to deduct and the Company shall deduct and pay over to the Union an amount equivalent to the monthly Union dues set by the Union for its members. The form authorizing such deduction shall be the form set out in Article 4.02 with necessary amendments.

5.02(c) Time spent on the activities defined in Article 5.02a and (b) shall be deducted by the Company except for reasonable time necessary to enable one shop steward at a time to process a grievance and to attend arbitration proceedings, if necessary, as a result of such grievance.

7.02 All new employees will be considered probationary for the first sixty days of actual employment and during such probationary period such employee shall not have the right to invoke the grievance procedure contained in Article 11 of this Agreement in event of termination. Upon completion of such probationary period, the employee's name shall be placed on the seniority list with seniority dating as of the last hiring date.

7.04 An employee shall lose his seniority only if he:

(a) voluntarily quits the employ of the Company;

(b) is discharged for proper cause;

(c) subject to the provisions of Article 9.02, is on lay-off and fails to return to work within ten (10) days of being notified by registered letter to the last address on record with the Company;

(d) is laid-off for a period of one (1) year;

(e) has received severance pay as per Article 19.

8.01 When a position in the Bargaining Unit requires filling, the vacancy will be posted for not less than forty-eight (48) hours exclusive of weekends and holidays, so that employees in the Unit may have the opportunity of applying for the position. The notice to be posted shall include the group and job title and a brief description of the job duties.

8.02 Preference in appointments to jobs within the Bargaining Unit shall be given to applicants in the Bargaining Unit provided they have the qualifications of skill, competence and efficiency for the job concerned. If there is no applicant within the Bargaining Unit who meets the above requirements, then the Company may fill the vacancy by hiring outside the Bargaining Unit. Employees on vacation or absent due to sickness, accident or authorized leave of absence when the job is posted and who return to active employment within a period of four (4) weeks from the date of the posting shall be entitled to apply for the posted position within a further period of forty-eight (48) hours after their return. Should more than one employee within the Unit have the qualifications of skill, competence and efficiency for the job concerned, then preference shall be given to the senior employee as defined under Article 7.

All persons absent for the above mentioned reasons shall be notified by registered letter by the Company of the vacancy and the date upon which the four weeks expires. Any employee who is absent may apply for the vacancy if he wishes and if he will be away from work past the 4 week deadline date.

8.03 The successful applicant to a posted job shall be given a thirty (30) day trial period to qualify for the job. If, during this trial period, the employee is reasonably considered to be unsuitable or if the employee elects to decline the new position within the trial period, the employee will be returned to his former position, if possible, or one of equal rank. Trial periods may be extended by agreement between the Company and the Union. Trial periods shall not be considered probationary periods and an employee on such trial shall retain all rights under this Agreement.

9.01 If a reduction of staff is necessary due to lack of work, the Company will first endeavour to make such reduction by attrition. Should this not be possible, the Company agrees to give affected employees two (2) weeks' written notice of lay-off by posting a lay-off notice on the bulletin board. Concurrently with such posting, the Company will deliver a copy of such notice to a job steward. The following lay-off procedure will be adopted:

(a) probationary employees will be laid-off first;

(b) other employees shall be laid-off on the basis of their seniority, with the employee with the least seniority being laid-off first, provided the employees retained are qualified to meet the normal requirements of the work.

9.02 When work becomes available after a lay-off, recalls will be made in the inverse order to the lay-offs, provided that the employees so recalled are qualified to meet the normal requirements of the work. Employees will be notified of recall by the Company by a registered letter sent to their last known address, and must respond to such recall letter within ten (10) days of such notification unless in any case an employee cannot respond within the said ten (10) days for reasons beyond his control. In such an event the employee shall not lose his seniority and recall rights, but may be passed over for the available position and remain subject to further recall for the balance of his recall period. Employees shall be paid the salary for the job to which they are recalled.

9.03 Employees on lay-off will be eligible for recall for a period of one (1) year from the date of lay-off.

Article 10 – *Dismissal and Suspension*

Delete the words in the heading "and Suspension". Delete Article 10.01. Article 10.02 would then become 10.01.

13.04 All time worked in excess of the normal hours of work as set out in 13.01 above, shall be paid at the rate of time and one-half for the first three (3) hours and double time thereafter. All time worked on a Sunday shall be paid at double time. All time worked on a statutory holiday shall be paid at double time in addition to statutory holiday pay. A full hour's pay at the applicable overtime rate shall be paid for any part of an overtime hour worked.

13.05 Overtime is to be voluntary but the Union and the employees acknowledge that overtime will be worked. Overtime will be distributed equally among the employees qualified to perform the work. When the Company determines the necessity for overtime and there are no volunteers, the Company has the right to schedule employees to work overtime. The Company will give notice of Saturday overtime as soon as possible but not later that 4:00 p.m. Thursday. Except in case of emergency, the Company will give as much notice as possible but not less than two (2) hours' notice of daily overtime.

13.07 A one (1) hour unpaid meal period will be allowed when an employee is required to work overtime at the end of the regular work day in excess of two (2) hours. The Company will pay a meal allowance of $3.00.

13.08 No employee shall be required to take time off in lieu of overtime payments. This does not preclude time off in lieu of overtime pay by mutual agreement between the Company and employee concerned. The length of time off with pay will be the equivalent of the overtime earnings. The shop steward shall be notified when any employee takes time off in lieu of overtime pay.

15.02(c) An employee who completes three (3) or more years of service within the current vacation year shall be entitled to three (3) weeks vacation with pay.

15.02(d) An employee who completes ten (10) or more years of service within the current vacation year shall be entitled to four (4) weeks vacation with pay.

15.03 The Company will make every effort to fix vacation schedules by April 1st each year giving consideration to the work schedule of the Company and the request of the employee. Vacation selections shall be on the basis of seniority subject to requirements of the Company.

17.03 An employee assigned to work regularly on a combination of classifications (e.g. each day, each week) shall be paid the salary rate for the higher classification.

17.04 An employee assigned temporarily to replace another employee in a higher job classification shall be paid at the higher salary for the period so employed. This provision shall not apply for relief periods of less than one (1) day except as provided for in 17.03.

18. The Company agrees to pay 75% of the cost of all welfare coverages excluding Pensions. The Company may require a Doctor's report to verify absence due to illness of three (3) days or more.

20.01 Subject to the provisions of Article 20.02, this Agreement shall be in full force and effect from the date of signing to the 17th July, 1975, and thereafter shall remain in full force and effect from year to year unless written notice that changes are desired is given by either party to the other at least sixty (60) days prior to the 17th July, 1975, or sixty (60) days prior to any subsequent annual expiration date.

20.02 The wage rates set out in Appendix A, Salary Schedule, shall be effective from the dates therein provided for the term of this agreement.

The cost of the health and welfare benefits provided for in Article 18 shall be effective as therein provided.

Wage Rates

Classification	July 18/73-July 17/74	July 18/74-July 17/75
Clerk Messenger	$465	$538
Clerk Typist Switchboard Oper. Typist Junior Unloads Clerk	521	601
Keypunch oper. Comptometer Clerk (remove classification) Stenographer Typist	563	633
Accounting Clerk (former Comp. Oper.) Stenographer Typist Unloads Clerk Domestic Invoice Clerk	647	728
Payroll Clerk Senior Unloads Clerk Interior Feeds Clerk Cashier (Rec. and Payables)	716	791
Export Purchase & Sales Contract Clerk Terminal Records Clerk	800	885

Letter of Understanding

Part C (orthodontics) would be included in the dental plan for the office workers local 333 on a 75%-25% payment basis if the West Coast terminal settlement includes such a provision. The date of introduction of such plan would be the same date as the introduction in the terminals.

Dated at the City of Vancouver, Province of British Columbia, this day of November, 1973.

J. C. Smith, Chairman

J. W. Campbell, Union Nominee

R. A. Mahoney, Company Nominee

Report of Board of Conciliation established to deal with dispute between
The International Longshoremen's Association, Local 269
and
Maritime Employers Association

By virtue of an appointment dated the 24th day of July, 1973 by the Minister of Labour, I was appointed chairman of a Conciliation Board with regard to a dispute between the above-noted parties. The Conciliation Board was constituted as follows:

D. Merlin Nunn – Chairman
Brian Mulroney – Employer Nominee
E. Johnston – Union Nominee

The Board met on August 9 with only the Board members present and again on August 16 with the Conciliation Officers prior to meeting with the parties. Since the same Board was constituted with regard to a dispute involving the Port of Saint John, meetings were held in Saint John which the International Longshoremen's Association, Local 269 attended on August 21, 22, 23 and 24. Meetings were then held in Halifax on August 30, 31, September 20, 21, 22, 23, 24, 26, October 1, 2, 3, 15, 16, 17, 18 and 19. These meetings generally commenced at or about 9:00 a.m. and continued on to 4:00, 5:00 and 6:00 a.m. of the following day.

The Board was advised that bargaining had commenced in October of 1972 for the renegotiation of a collective agreement which was to expire December 31, 1972. The parties had innumerable meetings from October to March 30 and were unable to reach agreement on the majority of items being negotiated. Up to December 1972 there were two agreements in existence on the Port of Halifax—one called the Port Agreement, which referred to the general Port activity and a second called the Halterm Agreement, which referred to the container operation in the Port. During these negotiations the intent of the Employer was to negotiate a single agreement covering the total Port activity, including container work. As a result, the Employer attempted to negotiate an agreement which would change the old existing agreement drastically.

A conciliation Officer was appointed on March 30, 1973 and held meetings on April 26, 27, May 8, 9, 10, 11, 12, 13, 17 and 18. At the end of this period in time the parties still were unable to resolve their differences.

This Board at the outset was advised by the Union that nothing was agreed to and that our function was to start at the very beginning if there was any hope of reaching agreement. That meant 84 items were in dispute at the start of the Board's sittings. The Board at its meetings first tackled the major items of dispute between the parties in the belief that no headway could be made until these matters were first resolved. After a great deal of real conciliation all of the major items were resolved with the exception of one matter which, although it was not resolved, was one where the parties were very close and could not be further resolved until the Union was aware of the remaining terms of the agreement. At this point the Board undertook conciliation of the complete agreement and was able to resolve all of the differences between the parties. After all of the marathon meetings referred to above, the Board, at 6:00 a.m. on the morning of October 19, obtained a Memorandum of Agreement signed by the representatives of each of the parties who were before the Board whereby each agreed to recommend a settlement on the basis of a collective agreement which had been worked out between the parties by the Board. It was indicated to the parties at that time that the Board would file a report with the Minister of Labour indicating that the parties had agreed to recommend an agreement to their respective principals but also indicating that the collective agreement as reached would be recommended to the Minister of Labour as the Board's recommendation for the resolution of all the matters in dispute concerning terms and conditions of employment, including wage rates and other fringe benefits for a collective agreement between the parties for the period January 1, 1973 to December 31, 1974. Attached hereto and forming part of this report is a copy of the draft collective agreement referred to above.

It is, therefore, the recommendation of this Board that the disputes between the parties concerning the terms and conditions of employment, including wages and fringe benefits, be resolved by each party accepting the terms and conditions of employment contained in the attached draft collective agreement.

Having met with each of the parties and having heard the wishes and desires of each and the arguments of each, it is the Board's opinion that the attached draft collective agreement resolves each of the items in dispute in a reasonable manner and provides terms and conditions of employment which each can live with during the term of such an agreement and which are consistent with the orderly development and advancement of the industry.

D. Merlin Nunn
Chairman

Brian Mulroney
Employer Nominee

E. Johnston
Employee Nominee

COLLECTIVE AGREEMENT

BETWEEN:

ON THE ONE PART:

The Maritime Employers Association acting for and on behalf of its members, members of The Shipping Federation of Canada Inc., steamship companies and agents employing labour, contracting stevedores and terminal operators handling vessels in the Port of Halifax, N.S.,

hereinafter referred to as "Company" or "Association".

AND:

ON THE OTHER PART:

The Halifax Longshoremen's Association, Local 269, I.L.A.,

hereinafter referred to as "the Union".

Article I — Purpose

1:01

The purpose of this Agreement is to promote satisfactory relations between the Companies, the Association and the Union, to ensure greater efficiency in the work performed, to provide machinery for the prompt disposition of grievances, and to establish working conditions to be strictly observed by all parties, as well as hours of work and wage rates for all employees covered by this Agreement.

Article II — Recognition

2:01

The Companies and the Association recognize the Union as the exclusive bargaining agent of all its members employed at the Port of Halifax, N.S. classified as walking bosses, foremen, and longshoremen. The Union recognizes the Maritime Employers Association as the exclusive bargaining agent for its members in the Port of Halifax, N.S.

2:02

(a) It is agreed that the loading/unloading of rail car traffic, the receiving/delivery of cargo to/from truck tailgate and the blocking and securing of cargo at container terminal operations shall be performed by members of the Union.

(b) It is agreed that the following work, when under the control of the employer shall be performed by members of the Union unless another Union is certified and recognized.

- discharging/loading of cargo vessels
- discharging/loading of ballast, except water;
- opening and closing of hatches;
- cleaning the holds of ships;
- loading/discharging dunnage;
- shifting and securing cargo on deck or in the hold;
- docking, undocking and shifting ships except at Windmill Pier or Halifax Shipyards;
- cargo repair, excluding containers;
- rigging for cargo lifts other than that done by ship's personnel;
- loading/unloading containers to/from truck and railcar;
- handling ships' stores, except small daily orders;
- handling mail, express goods and baggage, except hand baggage usually carried by passengers;
- the operation of Company-owned or leased machines when applied to the foregoing except when the lessor supplies operators;
- the stuffing/destuffing of containers;
- the handling of clip-on refrigeration units.
- fitting of shifting boards and/or feeders for the carriage of grain

(c) It is agreed that the Companies will not sub-contract any work specifically covered by this Agreement.

2:03

The parties recognize that the longshoremen, members of Local 269 will be assigned to work covered by this Agreement, exclusively to employers who are members of the Maritime Employers Association.

Article III — Management Rights

3:01

The Union recognizes that the management of the operation and direction of the work force including, but not limited to, the right to direct, plan and control operations and the stevedores' working hours, determine all work procedures and methods, the right to hire, assign, promote, demote, increase and/or decrease the size of the work force providing the Union is given two (2) weeks advance notice maintain order and discipline including suspend or discharge employees for just cause or to release employees for other legitimate reasons, the right to introduce new and improved methods and to generally manage the operation, is vested exclusively in Management subject to preserving the health and safety of the employees and in compliance with all legal requirements and the provisions of this Agreement including the grievance and arbitration procedure.

Article IV — Hours of Work and Meal Hours

4:01

The hours of work and meal hours shall be as follows:

Work Periods	Meal Hours
*[1]From 8:00 A.M. to 12:00 Noon	12:00 Noon to 1:00 P.M.
From 1:00 P.M. to 5:00 P.M.	5:00 P.M. to 6:00 P.M.
From 6:00 P.M. to 10:00 P.M.	11:00 P.M. to 12:00 Midnight
From 6:00 P.M. to 5:00 A.M.	and
From 6:00 P.M. to a finish	5:00 A.M. to 8:00 A.M.
*[2]From 12:00 Midnight to 8:00 A.M.	4:00 A.M. to 4:30 A.M.

*[1] In the case of passenger ships this work period to start at 7:00 A.M. if required.

*[2] It is understood and agreed that the Midnight start will apply to work performed on a container terminal operation or a Roll-on/Roll-off operation only for the start of the vessel.

Article I — Hours of Work and Meal Hours

4:02

Employees required to work through any meal hour(s) shall be paid appropriate meal hour rate for such hour(s) and at the same rate for all time worked thereafter until relieved for meals. Employees shall work through the meal hour(s) when and as ordered by the Company.

Notwithstanding the above, if men work through the 11:00 P.M. to midnight meal hour and are not released for a meal hour until 5:00 A.M. or later, the hours worked after they return will be paid as if they had not been released for a meal.

Article V — Guarantees

5.01

(a) Subject to Clause (4.01) of Article IV, a minimum of four (4) hours' pay in accordance with the attached Schedule shall be paid by Management on each call of the day except that Management guarantees to pay a minimum of eight (8) hours' pay as per the attached Schedule for work commencing at twelve midnight.

However, notwithstanding the above, when weather conditions prevent work starting in which case Management may: on the first call of the day; release units and/or men and pay two (2) hours' pay and men will not be required to stand-by, or stand them by in which case they shall be paid four (4) hours' pay; and, on all subsequent calls if the units and/or men are stood by they shall be paid a minimum of two (2) hours' pay, except at (i) the 6 p.m. call when a minimum of three (3) hours' pay will be paid, and (ii) the midnight call when eight (8) hours' pay will be paid unless the men are released at midnight when two (2) hours' pay will be paid. If units and/or men are turned to they shall receive the guarantee as set forth above.

Any employee who refuses to stand-by or who refuses to start work while standing-by shall not be paid the stand-by pay provided for herein.

(b) Notwithstanding the above when men are ordered out to work on vessels which are loading and/or discharging perishable cargo and because of low temperatures the hatch(es) cannot be opened, they shall be paid a minimum of two hours' pay. However, if a vessel is working perishable cargo in some hatches and other cargo in other hatches then if, because of low temperatures, the perishable cargo cannot be worked and the other cargo is being worked, all gangs ordered for work on that vessel shall be paid a minimum of four hours' pay.

(c) However, in the case of a ship finishing, men who have worked the previous work period shall continue to work if ordered to do so by the Company and it is understood and agreed that notwithstanding the provisions of (a) and (b) above the men shall only be paid for time worked at the appropriate rate of pay when finishing a ship.

Article V – Guarantees

5:02

When a replacement is employed for a man ordered who fails to report for work, the guarantees provided in (5:01) above will apply to such replacement only to the extent that they would have applied to the man he replaces. An employee who will be unable to report for work at the time ordered must so notify his foreman or the Company as soon as possible, and in no case less than one hour prior to the time ordered to start.

5:03

(a) When men ordered from 6:00 p.m. to 5:00 a.m. resume work at Midnight, they shall be paid until 5:00 a.m. except when weather conditions prevent work from being carried on in which case they shall receive a minimum of two (2) hours' pay.

(b) When men ordered from 6:00 p.m. to a finish, resume work at Midnight, they shall be paid a minimum of three (3) hours' pay except when weather conditions prevent work from being carried on in which case they shall receive a minimum of two (2) hours' pay.

5:04

For the purposes of this Agreement the decision as to whether or not weather conditions are such that work can not start and/or continue shall be made by the ship's representative.

5:05

(a) Notwithstanding the provisions of Section 5:01, should, at any time, men refuse to stand by, start, or continue to work as directed by Management, they shall not be entitled to the guarantees provided herein, and shall be paid only for the time actually worked.

(b) Any Company may provide rainwear, including footwear where necessary, for all men exposed to the elements during the performance of their work, in which case there shall be no interruption of the work due to inclement weather unless otherwise directed by the Company.

5:06

When men or gangs have worked past the hour they shall be paid for the quarter hour, and if past the quarter hour they shall be paid for the half hour, and if past the half hour they shall be paid for three-quarter, and if past the three-quarter they shall be paid for the full hour.

5:07

In the event that men are called to work on wrecked or stranded vessels within the harbour limits, they shall be paid in accordance with the Schedule from the time the men leave the pier until they return thereto. This is not to apply to vessels wrecked or stranded outside the official harbour limits.

Article V – Guarantees

5:08

(a) Not less than six (6) men shall be used as linesmen for docking, undocking or shifting ships in excess of two thousand net registered tons (2000 N.R.T.), and not less than two (2) men shall be used for ships of up to two thousand net registered tons (2000 N.R.T.). This does not apply to fishing trawlers.

(b) When men are hired as linesmen, they shall be paid from the commencement of the period except when hired after midnight then pay shall commence at midnight. Men hired as linesmen shall be paid a minimum of two (2) hours at the appropriate rate except as specified below.

(c) Men who are to be employed for a work period may be hired as linesmen up to one (1) hour prior to the commencement of the work period. In such cases, Paragraph (b) above shall not apply, but the men shall receive one (1) hour's pay at the appropriate rate for the linesmen work.

(d) When men are standing-by awaiting the arrival of a vessel or have finished working a vessel, or are already employed they may be used as linesmen and Paragraph (b) shall not apply.

(e) Notwithstanding the Call Procedure, linesmen may be ordered at any time.

Article V – Guarantees

5:09

(a) When men are ordered out to work on any vessel, it is recognized that the work of opening and closing hatches, other than

mechanical hatches, is to be performed by members of the Union, and gangs shall be given 15 minutes to cover up hatches, except in the case of a hatch finishing up, when gang shall be paid for time involved.

(b) When mechanical hatches are closed by crew, men to be given 5 minutes to leave hatch. In the case of mechanical hatches, the employer may direct the longshoremen to open or close the mechanical hatches. If such direction by the employer is not reasonably necessary, the employer's action may be the subject of a grievance, and if it is found that such action was not reasonably necessary, the longshoremen shall receive 15 minutes for opening or closing such mechanical hatches.

(c) When it is necessary to close hatches because of weather or other emergency conditions, the longshoremen shall close the mechanical hatches and they shall be paid therefor.

(d) The term 'mechanical' means all hatches other than purely 'manual'.

Article VI — Call Procedure

6:01

It is understood and agreed by the parties that the responsibility to supply sufficient qualified labour to members of the Maritime Employers Association rests with the Union. Furthermore it is understood and agreed that the system of dispatching the work force shall be maintained in accordance with the Rules of Dispatch as set forth in Appendix B attached hereto, and which forms part of this Agreement.

6:02

(a) Orders for men will be communicated to the dispatcher and the men by the following schedule and in accordance with the Rules of Dispatch appended hereto.

Men required to start to	Orders to be placed by
8:00 A.M.	4:30 P.M. (preceeding day)
1:00 P.M.	9:00 A.M.
6:00 P.M.	2:00 P.M.
12:00 Midnight	4:30 P.M.

(b) The Companies agree that by 4:30 P.M. the Hiring Hall will be given an estimate of how many men will be continuing work at 6:00 P.M.

(c) Orders for men required at 1:00 P.M. or 6:00 P.M. and the men have worked during a previous period may be given at knocking-off time. When men are ordered out at 6:00 P.M. to a finish and work is interrupted due to weather, the men may be ordered back at (i) midnight or (ii) 8:00 A.M. the following day to complete the work unless previously ordered by their parent Companies.

6:03

If a complement of men ordered is not complete when reporting to work, then pay will start either when the men have been brought to complement or when put to work by the Company.

6:04 — **Basic work force**

The following procedure shall apply to the determination of a Basic Work Force:

1) The Union shall be notified one (1) month in advance of an employer's intention to create a Basic Work Force.

2) Such notice shall contain the number of men required and the kinds of work to be performed.

3) In the event the parties are unable to agree on the required number, an arbitrator shall, within 30 days from the date of the notice referred to in (1) above adjudicate the matter and his decision shall be final and binding on the parties.

1. Container Terminal Operations

(a) Container Terminal Operators shall have the right to employ a basic work force to perform all the work on the terminal for which recognition is granted except the stripping and stuffing of containers and railway box cars and receiving/delivery of cargo to/from truck transport at the shed doors, or the platform attached to the shed.

(b) Container Terminal Operators shall have the right to employ a basic machine work force to perform machine work associated with the stripping and stuffing of containers and railway box cars and the receiving/delivery of cargo to/from truck transport at the shed doors.

(c) Non member of the basic work force performing work shall be subject to all the provisions of the contract which apply to members of the basic work force.

2. Roll-on/Roll-off Operations

(a) Employers conducting a roll-on/roll-off operation shall have the right to employ a basic work force to perform all work on the operation for which recognition is granted.

(b) Non members of the basic work force performing work shall be subject to all the provisions of the contract which apply to members of the basic work force.

3. All Other Operations

(a) All other companies shall have the right to employ a basic work force to perform all non-ship work including securing of cargo on the ship.

(b) Whether a Company uses a basic work force or not, it shall have the right to employ such men as it may require to be dispatched in accordance with the dispatch rules to perform any non-ship work including securing of cargo on the ship.

(c) Non-members of the basic work force performing work shall be subject to all the provisions of the contract which apply to members of the basic work force.

4. Flexibility

(a) All men employed in a basic work force or on non-ship work shall be flexible and interchangeable to the extent that during a work period they will perform any and all work collectively or individually when and as required by the Company subject only to the manning provisions set forth in Article VII.

(b) When a Company is performing two or more of the operations covered herein it may employ a single basic work force to perform all of the work in its total operation and the men employed in the operation will be individually and

collectively flexible and interchangeable within the total operation subject only to the following:

i) the manning provisions of Article VII

ii) in the case of container terminal operators, men shall not be interchangeable between the two basic work forces in 1(a) and 1(b) herein.

BASIC WORK FORCE – SELECTION

6:05

Any Company electing to create a basic work force will follow the procedure set forth below:

(a) Prior to selecting its basic work force, the Company will notify the Union in writing at least thirty (30) days in advance, of its intention to do so. Such notice will include the size of the work force, the kinds of work to be performed, the abilities and qualifications needed for the selection and a supply of application forms. The Union shall notify its members accordingly to permit those interested to apply for selection to the basic work force. Any member who wishes to apply must complete and submit an application form to the Company within the aforementioned thirty (30) day period. The Company will advise the Union of the names of members who have applied within one (1) week following the date for submitting applications.

(b) In the case of a Company which is already operating with a basic work force as of the date of signing this Agreement, the Company will, within two weeks following such signing, notify the Union of the names of those employees who are on the basic work force and any additions thereto.

6:06

In selecting its basic work force, the Company shall give first consideration to those members of the Union who have submitted applications as provided in 6:05 above, and who in its opinion, possess the necessary abilities and qualifications. However, if the Company is unable to select its desired complement of men from among such applicants due to insufficient numbers or in its opinion, inadequate abilities and qualifications, it may then obtain members of its basic work force from any available source. It is understood that the applicants will be considered on the basis of aptitude for the performance of the various kinds of work and that if the Company is satisfied that an applicant possesses the required aptitude, the Company agrees to train the applicant upon his application being accepted. The foregoing shall also apply when adding members to, or replacing members of a basic work force.

6:07

The Company will notify the Union in writing of the names of those selected to the basic work force immediately upon their selection.

6:08

All members of a basic work force shall be on probation for their thirty (30) first working days following their actual commencement of work on the operation in question or the completion of any training required by the Company, whichever is later. During such probationary period, an employee may be dismissed from the basic work force without recourse to the grievance procedure.

6:09

The Company may elect to order out members of its basic work force directly in accordnace with the Rules of Dispatch in which case it shall notify the Hiring Hall who is called.

6:10 **Gangs**

(a) Each Company shall advise the Union by November 15 and April 1 of each year as to the number of parent gangs it will require for the season and shall name the foreman of each gang. The gangs shall be available as soon as possible and in no case later than two (2) weeks after the above dates.

(b) Each foreman of a gang shall select the normal complement of his gang from among the Union membership and shall at all times be responsible for his gang and have his men available for work when called. Men will at all times follow their parent gangs.

(c) In the event that a foreman is discharged, quits or is not available for work, then the Company that named him foreman shall name a new foreman in his place.

6:11

(a) The basic gang shall consist of a foreman and fourteen (14) men until June 30, 1974 inclusive after which the basic gang shall consist of a foreman and twelve (12) men.

(b) Where extra men are required in compliance with the manning provisions of Article VII and/or employed, they shall be considered as additions to the basic gang.

7:01 – **Manning and Deployment**

A. The following manning and deployment provisions shall apply for all work performed in the loading or unloading of a cargo vessel when within the Port of Halifax and harbour limits.

1. When manhandling loose general cargo to/from trays, not less than a foreman and 16 men with not less than 6 men in the hold.
2. When manhandling loose general cargo to/from pallets, not less than a foreman and 18 men with not less than 12 men in the hold.
3. When loading/unloading heavy lifts, units, pieces, packages, bundles, pre-slung and non-manhandled cargo (i.e. not covered in 1 and 2 above) not less than a foreman and 14 men until June 30, 1974 inclusive after which a foreman and 12 men.
4. When handling bulk cargo, including scrap, with grabs or magnets, not less than a foreman and five (5) men per grab or magnet.
5. When running grain with one belt not less than a foreman and four (4) men and two (2) extra men for each additional belt used to a maximum of eight (8) men.
6. When loading grain with grain trimming machines, not less than a foreman and ten (10) men, including pipemen, for each trimming machine used.
7. When unloading grain by marine leg from an non-self discharging vessel, not less than ten (10) men and a foreman.

8. When unloading grain by marine leg from a self discharging vessel not less than a foreman and six (6) men, except when scoops are used, a foreman and ten (10) men.
9. When loading or unloading Ro-Ro (bow, stern or sideport) one foreman and seven (7) men.
10. When loading or unloading containers at a container terminal operation, one foreman and seven (7) men.
11. When loading or unloading containers at other than a container terminal operation, the manning specified in 3 above shall apply.

B. For work other than the loading/unloading of a cargo vessel, the number of men to be as required by Management.

7:02

(a) The men in the basic gang shall be flexible and interchangeable to the extent that during any work period they will perform any and all work as directed by Management in connection with the loading/unloading of the ship, which is from the place of rest to the hold and vice versa. It is understood that this shall include shifting from hatch to hatch and from ship to ship within a Company at any time.

(b) Extras or men employed in addition to the basic gang shall work under the same conditions as paragraph (a) and may be shifted from gang to gang.

(c) When gangs and/or men are required to shift from ship to ship or move from one job to another during a work period, they shall be paid for the time so occupied.

(d) Notwithstanding the provisions of 6:03, should the complement of men ordered not be complete when reporting for work there shall be no obligation on Management to attempt to obtain fill-ins beyond the minimum level for the work involved as determined in 7:01 above. However, the men will work as directed by Management whether or not such fill-ins are obtained.

7:03

Slingloads

In the case of loading/unloading a vessel as set forth in Section 7:01, A-1, A-2 and A-3.

A slingload shall not exceed 2600 pounds except:

(i) where a single piece, bundle, package, unit, pre-slung or non-manhandled cargo exceeds 2600 pounds. Furthermore where in such cases the combined weight of up to two (2) such items does not exceed 6000 pounds, then up to two (2) may comprise one lift when lifting with ship's gear, except for unitized baled woodpulp where two (2) units may comprise one lift, regardless of weight. When lifting with other than ship's gear, up to two (2) such items may comprise one lift regardless of weight.

(ii) in the case of non-unitized baled wood pulp, wherein a slingload shall not exceed 2625 pounds.

(iii) when loading, manhandling or discharging loose general cargo to/from on trays with six (6) men in the hold, the slingload shall not exceed 1900 pounds. However, when eight (8) men are employed in the hold in this operation, then the slingload shall not exceed 2600 pounds.

8:01 – **Discipline**

The Union agrees that it will not uphold incompetence, shirking of work, pilfering or broaching of cargo, drinking of alcoholic beverages on the job or reporting for work under the influence of alcohol. An employee may be discharged or otherwise dealt with as the Management see fit for committing any of the above offences or for any other reasonable cause but a claim by an employee that he has been discharged or disciplined without reasonable cause may be the subject of a grievance. Any employee suspended or discharged by any employer will not be employed by any Management unless he is reinstated by agreement of the parties or pursuant to the arbitration procedure.

8:02

Charges against an employee resulting in dismissal or suspension shall be communicated to the Union in writing and may be resolved by confirming Management's action, or by restoring the employee to his former position with full compensation for all time lost, or by any other agreement which is considered just and equitable by the parties.

Article IX – Administration

9:01

Management acknowledges the right of the Union to appoint or otherwise select a President Business Agent and Assistant Business Agent and agrees to recognize each of them for the purpose of scrutinizing the administration of this Agreement. However, it is agreed that in the performance of their duties, the President and the Business Agent shall not interfere in the progress of the work of the employees nor interfere with Management in the exercise of its rights or with its determination of safe work methods.

9:02

No rules, regulations, or resolutions shall be passed by Management or the Union which are inconsistent with the provisions of this Agreement.

9:03

The Union recognizes the provisions of Sections 185 (h) of the Canada Labour Code and any violation of that provision shall constitute a violation of the collective agreement.

Article X – Violation of Agreement

10:01

Should working conditions as set out in the present Agreement be violated by either party to this Agreement or by any person represented by either party, the party affected by such violation may submit a grievance according to Article XI. In such cases, the Arbitrator has the authority to order reimbursement of any payment made by Management, or loss suffered by any employee as a result of said violation, and/or exemplary damages.

Article XI — Grievance and Arbitration Procedure

11:01

The Union shall appoint or otherwise select a Grievance Committee to consist of the President/Business Agent, the Assistant Business Agent and one other member, and shall notify the Association of the names of the members of their Grievance Committee within seven (7) days of the signing of this Agreement. The Association shall likewise select a Grievance Committee to consist of not more than three persons and shall notify the Union of their names within seven (7) days of the signing of this Agreement. It is agreed that the Union and the Association may appoint or otherwise select a substitute for any of the members of their respective Grievance Committees whenever they deem such substitution necessary.

11:02

(a)

Step I — Any complaint concerning the application of this Agreement will be taken up verbally by the Business Agent or the Assistant Business Agent with the Company's representative on the dock, or the local Manager of the Company, within two days following its occurrence. A reply will be given verbally within two days following receipt of the complaint from the Business Agent or the Assistant Business Agent.

Step II — If the dispute is not resolved at Step I, the Union may formulate a grievance and submit it in writing to the local representative of the Maritime Employers Association within three days following the reply at Step I. A written reply will be given within three days following receipt of the written grievance.

Step III — If the grievance is not resolved at Step II, then it will be referred to the Grievance Committees by submitting it in writing to the Chairmen of the committees within five (5) working days following receipt of the reply at Step II. The Grievance Committees will meet within five (5) working days following receipt of the grievance and a reply will be given within five (5) working days following the meeting.

Step IV — If the grievance is not resolved at Step III, it may be submitted to a single arbitrator in accordance with this Agreement. The party wishing to submit the grievance to arbitration shall so notify the other party in writing within five (5) working days following receipt of the reply at Step III, and shall be responsible for notifying the arbitrator within one week after notifying the other party, or after the arbitrator's appointment by the Minister of Labour if such is required. The notice to the arbitrator shall include a statement of the grievance and a copy shall be sent to the other party.

11:02

(b) Failure to follow the above procedure shall be conclusive evidence of the abandoning or non-existence of a dispute or grievance. The time limits set forth in 11:02 (a) exclude Saturdays, Sundays and holidays and may be extended by mutual agreement between the Union and the Maritime Employers Association. If at any step, a reply is not received within the time limit, the other party shall consider this to be a negative reply and must process the grievance accordingly unless it is abandoned.

11:03

Should Management wish to file a grievance alleging violation of this Agreement by one or more employees, or by the Union, it may do so commencing at Step I of the above procedure by submitting the grievance verbally to the Business Agent or Assistant Business Agent of the Union within five (5) working days of the alleged violation.

11:04

The single Arbitrator shall be Mr. Merlin Nunn.

11:05

When the Arbitrator mentioned above is not available, an Arbitrator shall be chosen by the parties or by the Minister of Labour for all Canada if the said parties cannot agree on the choice of an Arbitrator. The Arbitrator's honorariums and fees, and necessary expenses, if any, will be equally divided by the parties.

11:06

The Arbitrator will have jurisdiction over any question relating to the interpretation or application of this Agreement as well as the application, modalities and implementation of an arbitration decision, but he will in no case be empowered to amend, modify, add to or delete any part of this Agreement.

11:07

Pending disposal of a dispute in accordance with the above procedure, the men shall continue to work as instructed by Management.

Article XII — Prohibition Against Illegal Strikes and Illegal Lockouts

12:01

In view of the orderly arrangements provided by this Agreement for the settling of grievances the Union agrees that during the lifetime of this Agreement there shall be no strike, slowdown or stoppage of work either complete or partial, and Management agrees that there will be no lockout.

12:02

For the purposes of this article the word 'strike' includes (a) a cessation of work or a refusal of/to work or to continue to work by the employees in combination or in concert or in accordance with a common understanding, and (b) a 'slowdown' of work or other concerted activity on the part of the employees in relation to the work that is designed to restrict or limit output. 'Lockout' means the close of a place of employment done to compel employees or to aid another Management to compel its employees to agree to terms.

Article XIII — General

13:01

It is understood by the parties to this Agreement that this Agreement as written constitutes the full and only agreement between the parties and covers all working conditions to be observed by both. It is further agreed that no previous conditions,

practices, customs, rules or agreements shall be recognized or permitted to modify the terms of this Agreement.

13:02

Rules established by Management and the National Harbours Board with regard to smoking on ships or in sheds shall be observed at all times.

13:03

All orders to the men must be issued through their foreman who in turn shall be subject to orders from the Company's Walking Boss, Superintendent or his representative, except in the case of special work, when the Company's Walking Boss, Superintendent or his representative may give orders.

13:04

When two automatic grain trimming machines are being used in one hatch, they shall not be less than 25 feet apart.

13:05

No man shall remain in the hold of a ship while grain is running, except when automatic grain trimming machines are in use.

13:06

When a hatchtender cannot be seen by the winchman, a man shall be employed to give signals.

13:07

Hatch beams must be taken off or bolted or properly secured when men are working in the hold.

TERMINATION

This Agreement shall be effective from the date of its ratification until December 31, 1975, and thereafter from year to year, unless or until either party gives notice to the contrary during the period of October 1, 1975 to December 31, 1975, or the period of October 1 to December 31 of any subsequent year.

Article XIV — Schedule of Wages and Fringe Benefits

(a) The parties to this Agreement agree to accept and adhere to the Schedules of Wages appended hereto which are hereby made a part of this Agreement.

(b) The rates of pay as per Article I in the appropriate appended Schedule shall be paid for handling general cargo.

(c) The rates of pay as per Article II in the appropriate appended Schedule shall be paid for handling: (i) grain; (ii) bulk cargoes of slag, china clay, soda ash, chrome salt, barytes, fertilizer, nitrate, sulphur, cement, whiting, copper sulphate, lime, zinc oxide, gold concentrates and creosoted wood.

(d) The rates of pay as per Article III in the appropriate appended Schedule shall be paid for manhandling the following bagged commodities in full cargoes or in lots of 50 tons or more in any one hatch: (i) soda ash, chrome salt, barytes, fertilizer, nitrate, sulphur, cement, copper sulphate, lime, whiting, zinc oxide, lampblack or gold concentrates. The premium rate to stop when man-handling of such commodities in the hold is completed and is only to apply to men working such commodities: (ii) green hides, poison sprays or poisonous spray ingredients; (iii) cargo in refrigerated spaces where the temperature is 30 degrees Fahrenheit or lower; (iv) cleaning and sweeping holds.

(e) The rates of pay as per Article IV in the appropriate appended Schedule shall be paid for man-handling aeroprills or nitraprills.

(f) The rates of pay as per Article V in the appropriate appended Schedule shall be paid for handling dangerous explosives. For the purpose of this Agreement, the term "dangerous explosives" is defined as cargo of an explosive nature that, under Government regulations, has to be carried in a specially-constructed magazine on board ship. If it is necessary to load other cargo after "explosives" have been loaded into the magazine, the same rates shall be payable to the men engaged in loading such other cargo. The term "explosives" does not include small arms ammunition or unfused shells.

(g) The rates of pay as per Article VI in the appropriate appended Schedule shall be paid for work in ships with cargo on fire or cargo which has been affected by fire, smoke, oil, steam, gas or water.

(h) The rates of pay for all hours worked on the following holidays or their day of observance shall be as per the appended Schedule of Wages: Sundays, New Year's Day, Good Friday, Sovereign's Birthday on day proclaimed, Dominion Day, Remembrance Day, Labour Day, Thanksgiving Day. It is agreed that work shall cease at 5:00 P.M. on Christmas Eve and will not resume until 8:00 A.M. December 26. Except in the case of emergency, only baggage and mail shall be handled on Labour Day. For the purposes of no work on Labour Day, a day shall be deemed to be the twenty-four (24) hour period from 8:00 A.M. to 8:00 A.M.

For any work performed between 5:00 P.M. on New Year's Eve and 8:00 A.M. of the morning following this holiday, double the rates shown in the appended Schedule for Holidays is to be paid.

(i) The compensation payment agreed to in 1966 in recognition of the cooperation demonstrated by the Union in accepting radical change at that time designed to improve cargo-handling efficiency in keeping with modern cargo-handling practices, which amount is included in the attached wage schedules, is not payable to the following:—

Men employed on vessels regularly engaged in the coastal trade in which case gang strengths and slingload limitations as set forth in the Agreement which expired December 31, 1965 will remain in effect. This applies to vessels in the following existing services:—

(a) Newfoundland — Canada Steamships Ltd.
(b) Lake Shipping Limited
(c) Blue Peter Steamship Co.
(d) H.B. Daw Freighting Service
(e) Clarke Steamship Co.
and small coastal vessels under 500 G.R.T.

(j) Foremen shall be paid a differential of thirty-five ($0.35) cents per hour in excess of the appropriate wage scale rates for long-shoreman as set out in the appended Schedules.

(k) All payrolls to close at 12 o'clock Midnight on Saturday and payment of wages shall commence not later than 10:00 A.M. the following Thursday.

(l) Gang earnings to be equalized on a "Company" basis and pay lists to be posted each week with a copy to the Union. The low earning gangs on the pay list to have preference of work on Monday mornings.

(m) Seven and one-half percent (7½%) of gross earnings will be paid to the men as vacation benefits. It is agreed that vacation benefits will be calculated on wages earned during the twelve (12) month period ending with the end of the pay week closest to October 1, and that such benefits will be paid not later than December 15. As of the date of ratification, vacation benefits on wages earned after that date will be based on eight (8%) percent.

(n) In accordance with the Canada Pension Plan, which became effective January 1, 1966, the Companies/Contracting Stevedores agree to make the required employer contribution on behalf of each shore labour employee covered by this Agreement to the Canada Pension Plan and to deduct the required employee contribution from the wages of each employee employed under this Agreement and to remit such deductions to the Canada Pension Plan.

Health, Welfare and Pension Plans

(o) The Maritime Employers Association on behalf of its members agrees to pay on a monthly basis to the Trustees of the Shipping Federation of Canada – I.L.A. Trust Funds commencing January 1, 1974, the sum of sixty-two (62¢) cents per ton of cargo as manifested when loaded/unloaded to/from a cargo vessel by the Union. For the purposes of this clause, as manifested means 2000 lbs. or 40 cubic feet whichever is greater, net except that:

i) a ton of container cargo shall always be paid for on a net weight only basis
ii) bulk shall be paid for on a 10-1 ratio – i.e. 10 tons = 1 ton
iii) grain shall be paid for on a 30-1 ratio – i.e. 30 tons = 1 ton
iv) an automobile shall be paid for as one ton

It is further agreed that the Maritime Employers Association on behalf of its members agrees to pay on a monthly basis to the Trustees of the Shipping Federation of Canada – I.L.A Trust Funds two (2¢) cents per manhour worked to be distributed in accordance with instructions from the Union.

It is clearly understood and agreed that the Maritime Employers Association reserves the right to collect these sums in any manner deemed appropriate by its Directors.

(p) It is agreed that Union members must retire on the following schedule:

Upon reaching age 67 as of July 1, 1974
Upon reaching age 66 as of Jan. 1, 1975
Upon reaching age 65 as of Dec. 31, 1975.

The above does not restrict a member from retiring voluntarily at an earlier age subject to the provisions of the Health, Welfare and Pension Plans as established by the Trustees.

(q) It is understood and agreed by the parties hereto, that in view of the foregoing, Sections, 150, 152 and 153 of the Canada Labour Code do not apply to this Agreement.

RULES OF DISPATCH

A. **Orders placed through the Hiring Hall**

1. All orders will be filled and available to the men within two (2) hours after the ordering times set forth in the Call Procedure and shall include identification of all gangs and the number of extra men as well as replacements known to be needed at that time.
2. Dispatching of other replacements from the Hiring Hall shall begin not later than twenty (20) minutes before the start of the work period at 8:00 A.M. and fifteen (15) minutes before the start of all other work periods, and continue until one hour after the start of a work period. Orders placed by Companies during this time will be filled immediately or the Company will be advised that the required men are not available. In such case, the Company may elect to leave the order with the Hiring Hall or obtain the labour requirements from another source.
3. Men who have not been ordered but who are available for work will be at the Hiring Hall for the dispatching times set forth in 2 above. Failure to comply with this shall mean non-availability for work.
4. The companies shall have the right to place gangs and men, and shall advise the Hiring Hall accordingly when placing orders. In placing its own gangs the Company shall give preference of the longer job to its low gang.
5. Men will follow their gangs at all times.
6. The Union will not dispatch a man who has that period:
   (a) failed to report for work as ordered unless such failure was for reasons beyond his control;
   (b) refused a job for which he is qualified from the Hiring Hall.
7. The Union will supply the following to the Maritime Employers Association:
   a) Daily report of orders placed and filled for each work period along with related data on the prescribed forms;
   b) Daily report by work period of those men who report to the Hiring Hall (see #3 above) as well as those who fail to accept jobs offered at the Hiring Hall.
   c) A list of all Union members showing who is active or inactive, and advise the Maritime Employers Association immediately of any changes
   d) A list of the foreman and members of each parent gang and basic work force, and advise the Maritime Employers Association immediately of any changes.
   e) A list of registered skills and the members in each group, and advise the Maritime Employers Association immediately of any changes.
8. If all available regular gangs are working and a Company needs an additional gang or gangs, it shall inform the Union according to the Call Procedure and the Union shall dispatch such additional gang or gangs in accordance with the Company's request and the Company shall have the right to name the foreman of each such gang. If such gang or gangs are not supplied by the Union, then the Company concerned shall have the right to obtain such gangs from any source.
9. In the event that a Company orders members of its basic work force, replacements for a basic work force, or men through the Hiring Hall then the above rules shall apply to the men ordered as individuals.
10. It is agreed by the Union that the Maritime Employers Association shall have the right at all times to review and observe the dispatch system and process.
11. When a gang and/or men are ordered out or dispatched to work, no man will be replaced during the time the gang and/or men during the period of the day except in the following instances;
    i) when a man is discharged for cause;
    ii) a non-union man may be replaced by a Union man at 1:00 P.M. or 6:00 P.M. providing the Foreman or

Company is notified prior to the end of the preceeding period that a Union man will be available.

12. When all available Union members and non-Union men in the Hall have been dispatched, then the employers will have the privilege to hire non-Union employees from any other source.

B. **The following applies to direct ordering of a Basic Work Force by a Company**

1. The Company will order the men and advise the Hiring Hall in accordance with the Call Procedures.
2. Replacements for men not available will be obtained from the basic work force. Fill-ins from the basic work force for men who fail to report at the start of a period will be ordered from the Hiring Hall and the unordered members of a basic work force shall be in the Hall for dispatching times. Failure to comply with this shall mean non-availability for work.
3. In ordering men for work, the Company shall at all times give priority first to its basic work force where applicable and second to the dispatch centre. However, if at any time it is unable to obtain sufficient qualified men from these sources, it may then obtain labour from any available source of its choosing. This shall also apply whenever a temporary need occurs for more men than are on its basic work force.

C. **Equalization of Earnings**

1) *GANGS*

a) A weekly list of ,accumulative gang earnings for the calendar year to date will be published. The list will be based upon the period 8:00 A.M. Sunday to 8:00 A.M. the following Sunday, and shall be published on Thursday.

b) Each list will be the guiding factor for ordering and dispatching and starting with orders for 8:00 A.M. on the Sunday following publication of the list.

c) In the case of a Company's parent gangs, the low gangs will be ordered and dispatched first for the following week.

d) In the case of a Company ordering outside gangs, the first gang in will be the first gang out.

2) *BASIC WORK FORCES*

a) A weekly list of accumulative individual earnings for the calendar year to date will be published. It shall be based upon the period 8:00 A.M. Sunday to 8:00 A.M. the following Sunday.

b) Each list will be the guiding factor for ordering men for the second week following the week reported on the list.

c) In ordering men from its basic work force, the Company will order the low men first, providing they are qualified to perform the work required. This shall also apply when ordering replacements.

d) When a member of a basic work force fails to report for work when ordered or is unavailable for work, he will be charged with what he would have earned for equalization purposes. When a replacement is hired for him, such replacement will not be charged with what he earns for equalization purposes.

PORT OF HALIFAX, N.S.

Effective January 1, 1974 to December 31, 1974 incl.
(excl. work commencing at Mid'n)

Coastal Ships Only

	Mid'n to 5 AM	5 AM to 8 AM	8 AM to Noon	Noon to 1 PM	1 PM to 5 PM	5 PM to 6 PM	6 PM to 11 PM	11 PM to Mid'n
Article I General Cargo (Clause (b) Article XIV)								
Tues./Fri. incl.	7.05	14.10	4.70	9.40	4.70	14.10	7.05	14.10
Saturdays	7.05	14.10	7.05	14.10	7.05	14.10	7.05	28.20
Holidays (excl. Mon.)	14.10	28.20	9.40	18.80	9.40	28.20	14.10	28.20
Mondays (normal)	10.57	21.15	4.70	9.40	4.70	14.10	7.05	14.10
Sundays only	14.10	28.20	9.40	18.80	9.40	28.20	14.10	21.15
Holiday Monday	21.15	42.30	9.40	18.80	9.40	28.20	14.10	28.20
Article II Grain, Bulk (Clause (c) Article XIV)								
Tues./Fri. incl.	7.58	15.15	5.05	10.10	5.05	15.15	7.58	15.15
Saturdays	7.58	15.15	7.58	15.15	7.58	15.15	7.58	30.30
Holidays (excl. Mon.)	15.15	30.30	10.10	20.20	10.10	30.30	15.15	30.30
Mondays (normal)	11.36	22.72	5.05	10.10	5.05	15.15	7.58	15.15
Sundays only	15.15	30.30	10.10	20.20	10.10	30.30	15.15	22.72
Holiday Mondays	22.72	45.45	10.10	20.20	10.10	30.30	15.15	30.30

	Mid'n to 5 AM	5 AM to 8 AM	8 AM to Noon	Noon to 1 PM	1 PM to 5 PM	5 Pm to 6 PM	6 PM to 11 PM	11 PM to Mid'n
Article III Bagged Cargo, Hides, etc., Reefer, Cleaning (Clause (d) Article XIV)								
Tues./Fri. incl.	7.20	14.40	4.80	7.20	4.80	14.40	7.20	14.40
Saturdays	7.20	14.40	7.20	14.40	7.20	14.40	7.20	28.80
Holidays (excl. Mon.)	14.40	28.80	9.60	19.20	9.60	28.80	14.40	28.80
Mondays (normal)	10.80	21.60	4.80	7.20	4.80	14.40	7.20	14.40
Sundays only	14.40	28.80	7.20	19.20	9.60	28.80	14.40	21.60
Holiday Mondays	21.60	43.20	7.20	19.20	9.60	28.80	14.40	28.80

Port of Halifax, N.S.
All categories of labour
Eff. Jan. 1/73
(excl. work commencing at Mid'n

Article IV Aeroprills & Nitraprills (Clause (e) Article XIV)								
Tues./Fri. incl.	7.40	14.45	5.05	9.75	5.05	14.45	7.40	14.45
Saturdays	7.40	14.45	7.40	14.45	7.40	14.45	7.40	28.55
Holidays (excl. Mon.)	14.45	28.55	9.75	19.15	9.75	28.55	14.45	28.55
Mondays (normal)	10.93	21.40	5.05	9.75	5.05	14.45	7.40	14.45
Sundays only	14.45	28.55	9.75	19.15	9.75	28.55	14.45	21.40
Holiday Mondays	21.40	42.65	9.75	19.15	9.75	28.55	14.45	28.55
Article V Explosives and Cargo on Fire (Clauses (f) and (g) Article XIV)								
Tues./Fri. incl.	14.10	28.20	9.40	18.80	9.40	28.20	14.10	28.20
Saturdays	14.10	28.20	14.10	28.20	14.10	28.20	14.10	56.40
Holidays (excl. Mon.)	28.20	56.40	18.80	37.60	18.80	56.40	28.20	56.40
Mondays (normal)	21.15	42.30	9.40	18.80	9.40	28.20	14.10	28.20
Sundays only	28.20	56.40	18.80	37.60	18.80	56.40	28.20	42.30
Holiday Mondays	42.30	84.60	18.80	37.60	18.80	56.40	28.20	56.40

PORT OF HALIFAX, N.S.

Effective January 1, 1973
(excluding work commencing at MIdnight)

Coastal Ships Only

Article I General Cargo (Clause (b) Article XIV								
Tues./Fri. incl.	6.37	12.75	4.25	8.50	4.25	12.75	6.37	12.75
Saturdays	6.37	12.75	6.37	12.75	6.37	12.75	6.37	25.50
Holidays (excl. Mon.)	12.75	25.50	8.50	17.00	8.50	25.50	12.75	25.50
Mondays (normal)	9.56	19.12	4.25	8.50	4.25	12.75	6.37	12.75
Sundays only	12.75	25.50	8.50	17.00	8.50	25.50	12.75	19.12
Holiday Mondays	19.12	38.25	8.50	17.00	8.50	25.50	12.75	25.50

	Mid'n to 5 AM	5 AM to 8 AM	8 AM to Noon	Noon to 1 PM	1 PM to 5 PM	5 PM to 6 PM	6 PM to 11 PM	11 PM to Mid'n
Article II Grain, Bulk (Clause (c) Article XIV)								
Tues./Fri. incl.	6.60	13.20	4.40	8.80	4.40	13.20	6.60	13.20
Saturdays	6.60	13.20	6.60	13.20	6.60	13.20	6.60	26.40
Holidays (excl. Mon.)	13.20	26.40	8.80	17.60	8.80	26.40	13.20	26.40
Mondays (normal)	9.90	19.80	4.40	8.80	4.40	13.20	6.60	13.20
Sundays only	13.20	26.40	8.80	17.60	8.80	26.40	13.20	19.80
Holiday Mondays	19.80	39.60	8.80	17.60	8.80	26.40	13.20	26.40
Article III Bagged Cargo, Hides, etc., Reefer, Cleaning (Clause (d) Article XIV)								
Tues./Fri. incl.	6.53	13.05	4.35	8.70	4.35	13.05	6.53	13.05
Saturdays	6.53	13.05	6.53	13.05	6.53	13.05	6.53	26.10
Holidays (excl. Mon.)	13.05	26.10	8.70	17.40	8.70	26.10	13.05	26.10
Mondays (normal)	9.79	19.57	4.35	8.70	4.35	13.05	6.53	13.05
Sundays only	13.05	26.10	8.70	17.40	8.70	26.10	13.05	19.57
Holiday Mondays	19.57	39.15	8.70	17.40	8.70	26.10	13.05	26.10

Port of Halifax, N.S.
Coastal Ships Only
Eff. Jan. 1/73
(excl. work commencing at Mid'n)

Article IV Aeroprills, Nitraprills (Clause (e) Article XIV)								
Tues./Fri. incl.	6.72	13.10	4.50	8.85	4.50	13.10	6.72	13.10
Saturdays	6.72	13.10	6.72	13.10	6.72	13.10	6.72	25.85
Holidays (excl. Mon.)	13.10	25.85	8.85	17.35	8.85	25.85	13.10	25.85
Mondays (normal)	9.91	19.47	4.50	8.85	4.50	13.10	6.72	13.10
Sundays only	13.10	25.85	8.85	17.35	8.85	25.85	13.10	19.47
Holiday Mondays	19.47	38.60	8.85	17.35	8.85	25.85	13.10	25.85
Article V Explosives & Cargo on Fire (Clauses (f) and (g) Article XIV								
Tues./Fri. incl.	13.50	27.00	9.00	18.00	9.00	27.00	13.50	27.00
Saturdays	13.50	27.00	13.50	27.00	13.50	27.00	13.50	54.00
Holidays (excl. Mon.)	27.00	54.00	18.00	36.00	18.00	54.00	27.00	54.00
Mondays (normal)	20.25	40.50	9.00	18.00	9.00	27.00	13.50	27.00
Sundays only	27.00	54.00	18.00	36.00	18.00	54.00	27.00	40.50
Holiday Mondays	40.50	81.00	18.00	36.00	18.00	54.00	27.00	54.00

PORT OF HALIFAX, N.S.

Effective on the First Sunday following the Date of Ratification
(excl. work commencing at Mid'n)

Coastal Ships only

Article I General Cargo (Clause (b) Article XIV)								
Tues./Fri. incl.	6.67	13.35	4.45	8.90	4.45	13.35	6.67	13.35
Saturdays	6.67	13.35	6.67	13.35	6.67	13.35	6.67	26.70
Holidays (excl. Mon.)	13.35	26.70	8.90	17.80	8.90	26.70	13.35	26.70
Mondays (normal)	10.01	20.02	4.45	8.90	4.45	13.35	6.67	13.35
Sundays only	13.35	26.70	8.90	17.80	8.90	26.70	13.35	20.02
Holiday Mondays	20.02	40.05	8.90	17.80	8.90	26.70	13.35	26.70

	Mid'n to 5 AM	5 AM to 8 AM	8 AM to Noon	Noon to 1 PM	1 PM to 5 PM	5 PM to 6 PM	6 PM to 11 PM	11 PM to Mid'n
Article II Grain, Bulk (Clause (c) Article XIV)								
Tues./Fri. incl.	7.20	14.40	4.80	9.60	4.80	14.40	7.20	14.40
Saturdays	7.20	14.40	7.20	14.40	7.20	14.40	7.20	28.80
Holidays (excl. Mon.)	14.40	28.80	9.60	19.20	9.60	28.80	14.40	28.80
Mondays (normal)	10.80	21.60	4.80	9.60	4.80	14.40	7.20	14.40
Sundays only	14.40	28.80	9.60	19.20	9.60	28.80	14.40	21.60
Holiday Mondays	21.60	43.20	9.60	19.20	9.60	28.80	14.40	28.80
Article III Bagged Cargo, Hides, etc., Reefer, Cleaning (Clause (c) Article XIV)								
Tues./Fri. incl.	6.83	13.65	4.55	9.10	4.55	13.65	6.83	13.65
Saturdays	6.83	13.65	6.83	13.65	6.83	13.65	6.83	27.30
Holidays (excl. Mon.)	13.65	27.30	9.10	18.20	9.10	27.30	13.65	27.30
Mondays (normal)	10.24	20.48	4.55	9.10	4.55	13.65	6.83	13.65
Sundays only	13.65	27.30	9.10	18.20	9.10	27.30	13.65	20.48
Holiday Mondays	20.48	40.95	9.10	18.20	9.10	27.30	13.65	27.30

Port of Halifax, N.S.
Coastal Ships Only
Effective on the first Sunday following the date of ratification
(excl. work commencing after Mid'n)

Article IV Aeroprills, Nitraprills (Clause (e) Article XIV)								
Tues./Fri. incl.	7.02	13.70	4.70	9.25	4.70	13.70	7.02	13.70
Saturdays	7.02	13.70	7.10	13.70	7.02	13.70	7.02	27.05
Holidays (excl. Mon.)	13.70	27.05	9.25	18.15	9.25	27.05	13.70	27.05
Mondays (normal)	10.36	20.37	4.70	9.25	4.70	13.70	7.02	13.70
Sundays only	13.70	27.05	9.25	18.15	9.25	27.05	13.70	20.37
Holiday Mondays	20.37	40.40	9.25	18.15	9.25	27.05	13.70	27.05
Article III Explosives and Cargo on Fire (Clause (f) and (g) Article XIV)								
Tues./Fri. incl.	14.10	28.20	9.40	18.80	9.40	28.20	14.10	28.20
Saturdays	14.10	28.20	14.10	28.20	14.10	28.20	14.10	56.40
Holidays (excl. Mon.)	28.20	56.40	18.80	37.60	18.80	56.40	28.20	56.40
Mondays (normal)	21.15	42.30	9.40	18.80	9.40	28.20	14.10	28.20
Sundays only	28.20	56.40	18.80	37.60	18.80	56.40	28.20	42.30
Holiday Mondays	42.30	84.60	18.80	37.60	18.80	56.40	28.20	56.40

PORT OF HALIFAX, N.S.

Effective January 1, 1974 to December 31, 1974 incl.
(excl. work commencing at Mid'n)

Ocean Ships Only

All categories of Labour

Article I General Cargo (Clause (b) Article XIV)								
Tues./Fri. incl.	7.23	15.45	5.15	10.30	5.15	15.45	7.23	15.45
Saturdays	7.23	15.45	7.23	15.45	7.23	15.45	7.23	30.90
Holidays (excl. Mon.)	15.45	30.90	10.30	20.60	10.30	30.90	15.45	30.90
Mondays (normal)	11.59	23.18	5.15	10.30	5.15	15.45	7.23	15.45
Sundays only	15.45	30.90	10.30	20.60	10.30	30.90	15.45	23.18
Holiday Mondays	23.18	46.35	10.30	20.60	10.30	30.90	15.45	30.90

	Mid'n to 5 AM	5 AM to 8 AM	8 AM to Noon	Noon to 1 PM	1 PM to 5 PM	5 PM to 6 PM	6 PM to 11 PM	11 PM to Mid'n
Article II Grain, Bulk (Clause (c) Article XIV)								
Tues./Fri. incl.	8.25	16.50	5.50	11.00	5.50	16.50	8.25	16.50
Saturdays	8.25	16.50	8.25	16.50	8.25	16.50	8.25	33.00
Holidays (excl. Mon.)	16.50	33.00	11.00	22.00	11.00	33.00	16.50	33.00
Mondays (normal)	12.38	24.75	5.50	11.00	5.50	16.50	8.25	16.50
Sundays only	16.50	33.00	11.00	22.00	11.00	33.00	16.50	24.75
Holiday Mondays	24.75	49.50	11.00	22.00	11.00	33.00	16.50	33.00
Article III Bagged Cargo, Hides, etc., Reefer, Cleaning (Clause (d) Article XIV)								
Tues./Fri. incl.	7.83	15.75	5.25	10.50	5.25	15.75	7.83	15.75
Saturdays	7.83	15.75	7.83	15.75	7.83	15.75	7.83	31.50
Holidays (excl. Mon.)	15.75	31.50	10.50	21.00	10.50	31.50	15.75	31.50
Mondays (normal)	11.81	23.63	5.25	10.50	5.25	15.75	7.83	15.75
Sundays only	15.75	31.50	10.50	21.00	10.50	31.50	15.75	23.63
Holiday Mondays	23.63	47.25	10.50	21.00	10.50	31.50	15.75	31.50

Port of Halifax, N.S.
All categories of labour
Eff. Jan. 1/74 to Dec. 31/74
(excl. work commencing at Mid'n

Article IV Aeroprills & Nitraprills (Clause (e) Article XIV)								
Tues./Fri. incl.	8.08	15.80	5.50	10.65	5.50	15.80	8.08	15.80
Saturdays	8.08	15.80	8.08	15.80	8.08	15.80	8.08	31.25
Holidays (excl. Mon.)	15.80	31.25	10.65	20.95	10.65	31.25	15.80	31.25
Mondays (normal)	11.94	23.53	5.50	10.65	5.50	15.80	8.08	15.80
Sundays only	15.80	31.25	10.65	20.95	10.65	31.25	15.80	23.53
Holiday Mondays	23.53	46.70	10.65	20.95	10.65	31.25	15.80	31.25
Article V Explosives and Cargo on Fire (Clauses (f) and (g) Article XIV)								
Tues./Fri. incl.	15.45	30.90	10.30	20.60	10.30	30.90	15.45	30.90
Saturdays	15.45	30.90	15.45	30.90	15.45	30.90	15.45	61.80
Holidays (excl. Mon.)	30.90	61.80	20.60	41.20	20.60	61.80	30.90	61.80
Mondays (normal)	23.18	46.35	10.30	20.60	10.30	30.90	15.45	30.90
Sundays only	30.90	61.80	20.60	41.20	20.60	61.80	30.90	46.35
Holiday Mondays	46.35	92.70	20.60	41.20	20.60	61.80	30.90	61.80

PORT OF HALIFAX, N.S.

Effective January 1, 1975 to December 31, 1975 incl.
(excl. work commencing at Mid'n)

Ocean Ships Only

All categories of labour

Article I General Cargo (Clause (b) Article XIV)								
Tues./Fri. incl.	8.10	16.20	5.40	10.80	5.40	16.20	8.10	16.20
Saturdays	8.10	16.20	8.10	16.20	8.10	16.20	8.10	32.40
Holidays (excl. Mon.)	16.20	32.40	10.80	21.60	10.80	32.40	16.20	32.40
Mondays (normal)	12.15	24.30	5.40	10.80	5.40	16.20	8.10	16.20
Sundays only	16.20	32.40	10.80	21.60	10.80	32.40	16.20	24.30
Holiday Mondays	24.30	48.60	10.80	21.60	10.80	32.40	16.20	32.40

	Mid'n to 5 AM	5 AM to 8 AM	8 AM to Noon	Noon to 1 PM	1 PM to 5 PM	5 PM to 6 PM	6 PM to 11 PM	11 PM to Mid'n
Article II Grain, Bulk (Clause (c) Article XIV								
Tues./Fri. incl.	8.63	17.25	5.75	11.50	5.75	17.25	8.63	17.25
Saturdays	8.63	17.25	8.63	17.25	8.63	17.25	8.63	34.50
Holidays (excl. Mon.)	17.25	34.50	11.50	23.00	11.50	34.50	17.25	34.50
Mondays (normal)	12.94	25.88	5.75	11.50	5.75	17.25	8.63	17.25
Sundays only	17.25	34.50	11.50	23.00	11.50	34.50	17.25	25.88
Holiday Mondays	25.88	51.75	11.50	23.00	11.50	34.50	17.25	34.50
Article III Bagged Cargo, Hides, etc., Reefer, Cleaning (Clause (d) Article XIV)								
Tues./Fri. incl.	8.25	16.50	5.50	11.00	5.50	16.50	8.25	16.50
Saturdays	8.25	16.50	8.25	16.50	8.25	16.50	8.25	33.00
Holidays (excl. Mon.)	16.50	33.00	11.00	22.00	11.00	33.00	16.50	33.00
Mondays (normal)	12.38	24.75	5.50	11.00	5.50	16.50	8.25	16.50
Sundays only	16.50	33.00	11.00	22.00	11.00	33.00	16.50	24.75
Holidays Mondays	24.75	49.50	11.00	22.00	11.00	33.00	16.50	33.00

Port of Halifax, N.S.
All categories of labour
Eff. Jan. 1/75 to Dec. 31/75
(excl. work commencing at Mid'n

Article IV Aeroprills & Nitraprills (Clause (e) Article XIV								
Tues./Fri. incl.	8.45	16.55	5.75	11.15	5.75	16.55	8.45	16.55
Saturdays	8.45	16.55	8.45	16.55	8.45	16.55	8.45	32.75
Holidays (excl. Mon.)	16.55	32.75	11.15	21.75	11.15	32.75	16.55	32.75
Mondays (normal)	12.50	24.65	5.75	11.15	5.75	16.55	8.45	16.55
Sundays only	16.55	32.75	11.15	21.75	11.15	32.75	16.55	24.65
Holiday Mondays	24.65	48.95	11.15	21.75	11.15	32.75	16.55	32.75
Article V Explosives and Cargo on Fire (Clauses (f) and (g) Article XIV)								
Tues./Fri. incl.	16.20	32.40	10.80	21.60	10.80	32.40	16.20	32.40
Saturdays	16.20	32.40	16.20	32.40	16.20	32.40	16.20	64.80
Holiday (excl. Mon.)	32.40	64.80	21.60	43.20	21.60	64.80	32.40	64.80
Mondays (normal)	24.30	48.60	10.80	21.60	10.80	32.40	16.20	32.40
Sundays only	32.40	64.80	21.60	43.20	21.60	64.80	32.40	48.60
Holiday Mondays	48.60	97.20	21.60	43.20	21.60	64.80	32.40	64.80

PORT OF HALIFAX, N.S.

Effective January 1, 1975 to December 31, 1975 incl.
(excl. work commencing at Mid'n)

Coastal Ships Only

Article I General Cargo (Clause (b) Article XIV)								
Tues./Fri. incl.	7.42	14.85	4.95	9.90	4.95	14.85	7.42	14.85
Saturdays	7.42	14.85	7.42	14.85	7.42	14.85	7.42	29.70
Holidays (excl. Mon.)	14.85	29.70	9.90	19.80	9.90	29.70	14.85	29.70
Mondays (normal)	11.14	22.27	4.95	9.90	4.95	14.85	7.42	14.85
Sundays only	14.85	29.70	9.90	19.80	9.90	29.70	14.85	22.27
Holiday Mondays	22.27	44.55	9.90	19.80	9.90	29.70	14.85	29.70

	Mid'n to 5 AM	5 AM to 8 AM	8 AM to Noon	Noon to 1 PM	1 PM to 5 PM	5 PM to 6 PM	6 PM to 11 PM	11 PM to Mid'n
Article II Grain, Bulk (Clause (c) Article XIV)								
Tues./Fri. incl.	7.95	15.90	5.30	10.60	5.30	15.90	7.95	15.90
Saturdays	7.95	15.90	7.95	15.90	7.95	15.90	7.95	31.80
Holidays (excl. Mon.)	15.90	31.80	10.60	21.20	10.60	31.80	15.90	31.80
Mondays (normal)	11.93	23.85	5.30	10.60	5.30	15.90	7.95	15.90
Sundays only	15.90	31.80	10.60	21.20	10.60	31.80	15.90	23.85
Holiday Mondays	23.85	47.70	10.60	21.20	10.60	31.80	15.90	31.80
Article III Bagged Cargo, Hides, etc., Reefer, Cleaning (Clause (d) Article XIV)								
Tues./Fri. incl.	7.58	15.15	5.05	10.10	5.05	15.15	7.58	15.15
Saturdays	7.58	15.15	7.58	15.15	7.58	15.15	7.58	30.30
Holidays (excl. Mon.)	15.15	30.30	10.10	20.20	10.10	30.30	15.15	30.30
Mondays (normal)	11.36	22.72	5.05	10.10	5.05	15.15	7.58	15.15
Sundays only	15.15	30.30	10.10	20.20	10.10	30.30	15.15	22.72
Holiday Mondays	22.72	45.45	10.10	20.20	10.10	30.30	15.15	30.30

Port of Halifax, N.S.
Coastal Ships Only
Eff. Jan. 1/75 — Dec. 31/75
(excl. work commencing at Mid'n

Article IV Aeroprills, Nitraprills (Clause (e) Article XIV)								
Tues./Fri, incl.	7.77	15.20	5.20	10.25	5.20	15.20	7.77	15.20
Saturdays	7.77	15.20	7.77	15.20	7.77	15.20	7.77	30.05
Holidays (excl. Mon.)	15.20	30.05	10.25	20.15	10.25	30.05	15.20	30.05
Mondays (normal)	11.49	22.72	5.20	10.25	5.20	15.20	7.77	15.20
Sundays only	15.20	30.05	10.25	20.15	10.25	30.05	15.20	22.72
Holiday Mondays	22.72	44.90	10.25	20.15	10.25	30.05	15.20	30.05
Article III Explosives and Cargo on Fire (Clauses (f) and (g) Article XIV)								
Tues./Fri, incl.	15.60	31.20	10.40	20.80	10.40	31.20	15.60	31.20
Saturdays	15.60	31.20	15.60	31.20	15.60	31.20	15.60	62.40
Holidays (excl. Mon.)	31.20	62.40	20.80	41.60	20.80	62.40	31.20	62.40
Mondays (normal)	23.40	46.80	10.40	20.80	10.40	31.20	15.60	31.20
Sundays only	31.20	62.40	20.80	41.60	20.80	62.40	31.20	46.80
Holiday Mondays	46.80	93.60	20.80	41.60	20.80	62.40	31.20	62.40

PORT OF HALIFAX, N.S.

Rates of Pay for Work Commencing at Midnight

Ocean Rates

	Effective on the first Sunday following the date of ratification	Jan. 1, 1974	Jan. 1, 1975
Tues./Fri. incl.	9.80	10.30	10.80
Saturdays	14.70	15.45	16.20
Holidays (excl. Mon.)	14.70	15.45	16.20
Mondays (normal)	9.80	10.30	10.80
Sundays only	19.60	20.60	21.60
Holiday Mondays	19.60	20.60	21.60

Coastal Rates

	Effective on the first Sunday following the date of ratification	Jan. 1, 1974	Jan. 1, 1975
Tues./Fri. incl.	8.90	9.40	9.90
Saturdays	13.35	14.10	14.85
Holidays (excl. Mon.)	13.35	14.10	14.85
Mondays (normal)	8.90	9.40	9.90
Sundays only	17.80	18.80	19.80
Holiday Mondays	17.80	18.80	19.80

PORT OF HALIFAX, N.S.

Effective January 1, 1973
(excluding work commencing at Midnight)

Ocean Ships Only

All categories of labour

Article I General Cargo (Clause (b) Article XIV)

	Mid'n to 5 AM	5 AM to 8 AM	8 AM to Noon	Noon to 1 PM	1 PM to 5 PM	5 PM to 6 PM	6 PM to 11 PM	11 PM to Mid'n
Tues./Fri. incl.	7.05	14.10	4.70	9.40	4.70	14.10	7.05	14.10
Saturdays	7.05	14.10	7.05	14.10	7.05	14.10	7.05	28.20
Holidays (excl. Mon.)	14.10	28.20	9.40	18.80	9.40	28.20	14.10	28.20
Mondays (normal)	10.58	21.15	4.70	9.40	4.70	14.10	7.05	14.10
Sundays only	14.10	28.20	9.40	18.80	9.40	28.20	14.10	21.15
Holiday Mondays	21.15	42.30	9.40	18.80	9.40	28.20	14.10	28.20

Article II Grain, Bulk (Clause (c) Article XIV)

Tues./Fri. incl.	7.28	14.55	4.85	9.70	4.85	14.55	7.28	14.55
Saturdays	7.28	14.55	7.28	14.55	7.28	14.55	7.28	29.10
Holidays (excl. Mon.)	14.55	29.10	9.70	19.40	9.70	29.10	14.55	29.10
Mondays (normal)	10.91	21.83	4.85	9.70	4.85	14.55	7.28	14.55
Sundays only	14.55	29.10	9.70	19.40	9.70	29.10	14.55	21.83
Holiday Mondays	21.83	43.65	9.70	19.40	9.70	29.10	14.55	29.10

Article III Bagged Cargo, Hides, etc., Reefer, Cleaning (Clause (d) Article XIV)

Tues./Fri. incl.	7.20	14.40	4.80	9.60	4.80	14.40	7.20	14.40
Saturdays	7.20	14.40	7.20	14.40	7.20	14.40	7.20	28.80
Holidays (excl. Mon.)	14.40	28.80	9.60	19.20	9.60	28.80	14.40	28.80
Mondays (normal)	10.80	21.60	4.80	9.60	4.80	14.40	7.20	14.40
Sundays only	14.40	28.80	9.60	19.20	9.60	28.80	14.40	21.60
Holiday Mondays	21.60	43.20	9.60	19.20	9.60	28.80	14.40	28.80

Port of Halifax, N.S.
Coastal Ships Only
Eff. Jan. 1/74 – Dec. 31/74
(excl. work commencing at Mid'n)

	Mid'n to 5 AM	5 AM to 8 AM	8 AM to Noon	Noon to 1 PM	1 PM to 5 PM	5 PM to 6 PM	6 PM to 11 PM	11 PM to Mid'n
Article IV Aeroprills, Nitrapills (Clause (e) Article XIV)								
Tues./Fri. incl.	7.40	14.45	4.95	9.75	4.95	14.45	7.40	14.45
Saturdays	7.40	14.45	7.40	14.45	7.40	14.45	7.40	28.55
Holidays (excl. Mon.)	14.45	28.55	9.75	19.15	9.75	28.55	14.45	28.55
Mondays (normal)	10.92	21.50	4.95	9.75	4.95	14.45	7.40	14.45
Sundays only	14.45	28.55	9.75	19.15	9.75	28.55	14.45	21.50
Holiday Mondays	21.50	42.65	9.75	19.15	9.75	28.55	14.45	28.55
Article III Explosives and Cargo on fire (f) and (g) Article XIV)								
Tues./Fri. incl.	14.85	29.70	9.90	19.80	9.90	29.70	14.85	29.70
Saturdays	14.85	29.70	14.85	29.70	14.85	29.70	14.85	59.40
Holidays (excl. Mon.)	29.70	59.40	19.80	39.60	19.80	59.40	29.70	59.40
Mondays (normal)	22.27	44.55	9.90	19.80	9.90	29.70	14.85	29.70
Sundays only	29.70	59.40	19.80	39.60	19.80	59.40	29.70	44.55
Holiday Mondays	44.55	89.10	19.80	39.60	19.80	59.40	29.70	59.40

PORT OF HALIFAX, N.S.

Effective on the First Sunday Following the Date of Ratification
(excl. work commencing at Mid'n)

Ocean Ships Only

All categories of labour

Article I General Cargo (Clause (b) Article XIV)								
Tues./Fri. incl.	7.35	14.70	4.90	9.80	4.90	14.70	7.35	14.70
Saturdays	7.35	14.70	7.35	14.70	7.35	14.70	7.35	29.40
Holidays (excl. Mon.)	14.70	29.40	9.80	19.60	9.80	29.40	14.70	29.40
Mondays (normal)	11.03	22.05	4.90	9.80	4.90	14.70	7.35	14.70
Sundays only	14.70	29.40	9.80	19.60	9.80	29.40	14.70	22.05
Holiday Mondays	22.05	44.10	9.80	19.60	9.80	29.40	14.70	29.40
Article II Grain, Bulk (Clause (c) Article XIV)								
Tues./Fri. incl.	7.88	15.75	5.25	10.50	5.25	15.75	7.88	15.75
Saturdays	7.88	15.75	7.88	15.75	7.88	15.75	7.88	31.50
Holidays (excl. Mon.)	15.75	31.50	10.50	21.00	10.50	31.50	15.75	31.50
Mondays (normal)	11.81	23.63	5.25	10.50	5.25	15.75	7.88	15.75
Sundays only	15.75	31.50	10.50	21.00	10.50	31.50	15.75	23.63
Holiday Mondays	23.63	47.25	10.50	21.00	10.50	31.50	15.75	31.50
Article III Bagged Cargo, Hides, etc., Reefer, Cleaning (Clause (d) Article XIV)								
Tues./Fri. incl.	7.50	15.00	5.00	10.00	5.00	15.00	7.50	15.00
Saturdays	7.50	15.00	7.50	15.00	7.50	15.00	7.50	30.00
Holidays (excl. Mon.)	15.00	30.00	10.00	20.00	10.00	30.00	15.00	30.00
Mondays (normal)	11.25	22.50	5.00	10.00	5.00	15.00	7.50	15.00
Sundays only	15.00	30.00	10.00	20.00	10.00	30.00	15.00	22.50
Holiday Mondays	22.50	45.00	10.00	20.00	10.00	30.00	15.00	30.00

Port of Halifax, N.S.
All Categories of Labour
Effective on the first Sunday following the date of ratification
(excl. work commencing at Mid'n)

	Mid'n to 5 AM	5 AM to 8 AM	8 AM to Noon	Noon to 1 PM	1 PM to 5 PM	5 PM to 6 PM	6 PM to 11 PM	11 PM to Mid'n
Article IV Aeroprills & Nitraprills (Clause (e) Article XIV)								
Tues./Fri. incl.	7.70	15.05	5.25	10.15	5.25	15.05	7.70	15.05
Saturdays	7.70	15.05	7.70	15.05	7.70	15.05	7.70	29.75
Holidays (excl. Mon.)	15.05	29.75	10.15	19.95	10.15	29.75	15.05	29.75
Mondays (normal)	11.38	22.40	5.25	10.15	5.25	15.05	7.70	15.05
Sundays only	15.05	29.75	10.15	19.95	10.15	29.75	15.05	22.40
Holiday Mondays	22.40	44.45	10.15	19.95	10.15	29.75	15.05	29.75
Article V Explosives and Cargo on Fire (Clauses (f) and (g) Article XIV)								
Tues./Fri. incl.	14.70	29.40	9.80	19.60	9.80	28.20	14.70	29.40
Saturdays	14.70	29.40	14.70	29.40	14.70	28.20	14.70	58.80
Holidays (excl. Mon.)	29.40	58.80	19.60	39.20	19.60	58.80	29.40	58.80
Mondays (normal)	22.05	44.10	9.80	19.60	9.80	28.20	14.70	29.40
Sundays only	29.40	58.80	19.60	39.20	19.60	58.80	29.40	44.10
Holiday Mondays	44.10	88.20	19.60	39.20	19.60	58.80	29.40	58.80

Report of Board of Conciliation established to deal with dispute between:

Alaska Trainship Corporation

and

Canadian Merchant Service Guild

The Board was under the Chairmanship of Paul D.K. Fraser of Vancouver and the other two members were J.A. Pollock and John Michael Collins, both of Vancouver, nominees of the company and union, respectively. The report was received by the Minister during October.

A DISPUTE BETWEEN:
ALASKA TRAINSHIP CORPORATION,
AND
CANADIAN MERCHANT SERVICE GUILD

On May 25, 1973, the Minister of Labour gave notice to the parties that he had decided to establish a Conciliation Board pursuant to Section 173 of the Canada Labour Code. On July 24, 1973, J. A. Pollock and John Michael Collins having been appointed members of the Board and having failed to nominate a chairman, the Minister pursuant to Section 173(4) of the Canada Labour Code appointed Paul D. Fraser of Vancouver, British Columbia as a member and Chairman of the Board.

The Board conducted hearings at Vancouver, British Columbia, on September 5, 6, 7 and 14, 1973 and the members of the Board met for purposes of preparing the Board's report on September 26, October 9 and October 15, 1973.

In the course of the Board's hearings, the following documents were accepted and marked as exhibits:

EXHIBIT 1 Notice of Minister of Labour to establish a Conciliation Board pursuant to Section 173 of the Canada Labour Code, dated May 25, 1973.

EXHIBIT 2 Notice of Minister of Labour of appointment of Paul D. Fraser as a member and Chairman of the Conciliation Board, dated July 24, 1973.

EXHIBIT 3 Agreement between Alaska Trainship Corporation and Canadian Merchant Service Guild, dated March 10, 1972.

EXHIBIT 4 Status of Negotiations — Alaska Trainship Corporation and Canadian Merchant Service Guild Agreement.

EXHIBIT 5 Alaska Trainship Corporation Exhibits including Collective Agreement between Alaska Trainship Corporation and Canadian Merchant Service Guild; Canadian Merchant Service Guild proposals; Alaska Trainship Corporation proposals; Conciliation Officer's suggested terms; Alaska Trainship Corporation 1970 proposal and Trade Union Research Bureau Report.

EXHIBIT 6 Submission of the Alaska Trainship Corporation, dated August, 1973 and Supplementary Submission dated September 14, 1973.

EXHIBIT 7 Submission to the Conciliation Board concerning wage rates and conditions for certificated mates, engineers and radio officer/pursers on S.S. Alaska Trainship Corporation.

EXHIBIT 8 Agreement between Towboat Industrial Relations Association of B.C. and Canadian Merchant Service Guild; effective date: October 1, 1972.

EXHIBIT 9 Agreement between Towboat Industrial Relations Association of B.C. and Canadian Merchant Service Guild; effective date: June 13, 1970.

EXHIBIT 10 Various wage extracts from other collective agreements between the Canadian Merchant Service Guild and private companies.

EXHIBIT 11 Agreement between Continental Explosives Ltd. and Canadian Merchant Service Guild effective January 1, 1973.

EXHIBIT 12 Agreement between Alaska Trainship Corporation and Canadian Merchant Service Guild dated March 13, 1968.

EXHIBIT 13 Agreement between Northland Navigation Co. Ltd. and Canadian Merchant Service Guild, undated.

EXHIBIT 14 Agreement between Northland Shipping (1962) Co. Ltd. and Canadian Merchant Service Guild, undated.

EXHIBIT 15 Agreement between The British Yukon Navigation Company, Limited and Canadian Merchant Service Guild, undated.

EXHIBIT 16 Canadian Merchant Service Guild Pension Plan booklet dated June, 1968.

EXHIBIT 17 Statement of Comparative Rates of Pay — SS "Alaska", Alaska Trainship Corporation and Canadian Merchant Service Guild Agreements.

EXHIBIT 18 Statement of Rates of Pay for Masters, Chief Engineers and Chief Electrical Engineers — Canadian National Railways Newfoundland Ferry and Coastal Services, dated July 31, 1973.

Since June, 1964, the employer has operated a single vessel, the SS "Alaska" along the west coast of North America from New Westminster, British Columbia to ports in the State of Alaska. The vessel transports railway cars to and from these locations for the purpose of loading and unloading. The vessel is classified shortly as a "trainship" and is 520 feet long with an approximate displacement of 11,000 tons. The vessel's complement is 35 employees of whom 25 are unlicensed personnel and 10 are licensed. Of this latter group, nine are members of the Bargaining Agent, the Canadian Merchant Service Guild and the remaining member of the vessel's complement is its Master.

The existing Collective Agreement between the parties to this dispute covered the period from May 1, 1970 up to and including October 31, 1972. Thereafter, the parties met on four occasions prior to March 12, 1973, and on nine occasions between March 12, 1973 and May 7, 1973 with a Conciliation Officer. The last such meeting was on May 7, 1973. The parties did not meet again until the Conciliation Board commenced its hearings on September 5, 1973.

At the commencement of the Board's hearings both parties agreed that the Board was properly constituted. The parties did not agree that the recommendations of the Conciliation Board would bind them pursuant to the provision of Section 171 of the Canada Labour Code.

At the commencement of the Board's hearings, there were sixteen unresolved issues. The issues were conveniently titled as follows:

1. Leave factor
2. Vacation benefits
3. Overtime formula and minimum call-out.
4. Overhead repair/maintenance work.
5. Short-handed formula.
6. Pilotage certificates.
7. Wages.
8. Cargo rate formula/application: routine duties.
9. Second engineer duties.
10. Licence/certificate re fifth engineer.
11. Legal defence insurance.
12. Severance pay.
13. Term of agreement.
14. Chief engineer addendum.
15. Radio/purser addendum.
16. Pension.

In the course of the Board's hearings, the employer withdrew its suggestion giving rise to issue 6 (pilotage certificate).

The Guild withdrew its suggestion giving rise to issue 10 (licence/certificate re fifth engineer).

The parties were unable to agree on an overtime formula (issue 3), but were agreed that the provisions in the existing Collective Agreement with respect to minimum call-out should be preserved.

The Guild withdrew its suggestion giving rise to issue 4 (overhead repair/maintenance work) upon the Company withdrawing its proposal giving rise to issue 9 (second engineer duties).

The parties were agreed that issue 5 (short-handed formula) was resolved by changing the general leave factor as outlined in Article 6.1 of the existing Collective Agreement to 1.24.

The parties were agreed that issue 16 (pension) was resolved by altering the first sentence only of the paragraph with respect to pension in the addendum dated October 20, 1970 to the existing Collective Agreement as follows:

> "The Company will continue to participate in the C.M.S.G. Pension Plan (Western Branch) which was in effect January 1, 1971 on the basis that contributions to such Plan are restricted to 5% of the basic wages less the amount contributed to the Canada Pension Plan."

In summary, the "minimum call-out" portion of issue 3 was resolved by the parties together with issues 4, 5, 6, 9, 10 and 16.

The Board heard evidence with respect to all of the outstanding issues and after giving these matters its best attention makes the following recommendations:

ISSUE 1 — Leave Factor
ISSUE 2 — Vacation Benefits
ISSUE 3 — Overtime Formula

These three issues can conveniently be dealt with together.

Normally, the SS "Alaska" is in continuous operation with the vessel's personnel employed during the continuance of each trip. Accordingly, a credit formula for granting earned leave to personnel has been devised. In the existing Collective Agreement (Exhibit 5 — Part A), the vessel's officers may work a schedule of four weeks on and two weeks off (Article 6.2). As part of this "four and two leave system", Article 24.1 provides that, "statutory holidays, annual vacation and conversion of overtime are to be incorporated into the pay system in terms of 'days' accumulative with 'days worked' and 'lay days earned' to comprise a 'bank of days' from which corresponding debits and credits will apply."

The Guild concedes that the Company was the first such company to agree to the "four and two leave system."

Article 6.1 of the existing Agreement provides that, "leave shall be granted on the basis of 0.4 per day work." That is, four-tenths of a day off for each day worked. Because of the "four and two leave system," leave cycles have usually been scheduled on the basis of four weeks' employment followed by two weeks' leave.

The result is that under the existing Agreement the parties have been operating on a theoretical leave factor of 0.5 per day worked. When the parties had reference back to Article 6.1 of the existing Agreement and applied the technical 0.4 leave factor, it became clear that a shortage of 2.8 days resulted in each six-week cycle. Accordingly, the parties negotiated into previous agreements the means by which the shortage of days could be offset through increased statutory, holiday, annual vacation and overtime conversion benefits.

The Guild takes the position in the existing negotiations that the leave formula should be adjusted to 0.5 days worked and that the Agreement should be amended to provide that the work week for its members shall be 37½ hours. At the same time, the Guild proposes that Article 24.1 of the existing Agreement be amended by the deletion of the words "four and two leave system" and the substituted insertion of "0.5 leave system." The Guild further suggests that the "conversion of overtime" provisions contained in paragraph 24.3 of the Collective Agreement be dropped and clause 8 of the existing Agreement dealing with annual vacations be amended to provide as follows:

21 days at 6% after 3 years' service;
28 days at 8% after 10 years' service;
35 days at 10% after 13 years' service.

The Guild submits that the effect of its proposal should be retroactive to the expiry of the existing Agreement, that is, October 31, 1972.

The Company indicated in its submission to the Board that it was not opposed to the introduction of a "0.5 leave factor" providing that the implementation date, related cost factors and the mechanics of implementation were "appropriate" to the overall terms of settlement.

Dealing with costs, the Company submitted evidence (that was not contradicted by the Guild) that the result of implementing the Guild's suggestions would be an increase of 3.82% provided that vacation benefits were granted on the basis of three weeks after five years instead of the Guild's proposed three weeks after three years. The Company also observed that even although the existing Article 8.1 provides that officers shall be allowed three weeks' vacation after one year of continuous or accumulative employment, there is no precedent in the industry for granting three weeks' vacation after three years of continuous or accumulative employment. The Company conceded that the introduction of a "0.5 leave factor" would necessarily result in the amendment of Articles 24.1 and 24.3 of the existing Agreement. The Company contended that there either be "staging" of the result of these issues or that there be full implementation as at January 1, 1974.

The Company suggested the following amendments to the existing Collective Agreement in respect to vacation benefits:

8.1 "officers with less than five years of continuous or accumulative employment shall be allowed fourteen days' vacation with pay during their second and succeeding calendar years";

8.2 "officers with five or more years of continuous or accumulative employment shall be allowed twenty-one days' vacation with pay in each year";

8.3 "officers with ten or more years of continuous or accumulative employment shall be allowed twenty-eight days' vacation with pay in each year".

With respect to the overtime formula, the Company submitted that the formula that appears in Article 9 of the existing Agreement be maintained. The existing Agreement provides that the overtime rate shall be time and one-half the straight time rate computed on the basis of the monthly rate divided by 173 x 1½. The Guild suggests that the monthly rate be divided by 162. The evidence indicated that both formulas were supported by precedent within the industry. The Company gave evidence (that was not contradicted by the Guild) that by using the formula proposed by the Guild the increased overtime cost to the Company would be 6.805% and that on the basis of 1972 Company operations the introduction of the 162 formula would be the equivalent of a 2.416% wage increase. The Company submission was that the total effect of the Guild's proposed overtime formula and the introduction of a "0.5 leave factor" on the basis set forth above would be 6.23%.

The Board has reached the following conclusions:

Issue 1 — Leave Factor:

Article 6.1 of the existing Agreement should be amended to provide that "leave shall be granted on the basis of 0.5 per day worked".

Article 24.1 should be amended to substitute "0.5" for the existing "four and two". The Board is of the opinion that the increased leave factor should become effective as at July 1, 1973. The Board has reached this conclusion having regard to all of the circumstances.

Issue 2 — Vacation Benefits:

The Board has decided that Article 8 of the existing Agreement should be amended in the terms proposed by the Company and set forth above. The effect of the amendments would be retroactive to October 31, 1972.

Issue 3 — Overtime Formula:

The Board agrees with the Guild's submission that related to the increased leave factor is a corresponding adjustment to the overtime rate. In the result, the Board agrees with the Guild's proposal that the overtime rate be computed as follows: monthly rate divided by 162 x 1½. The Board is of the opinion that the effective date of the revised overtime formula must be tied to the effective date of the increased leave factor. Accordingly, the new overtime rate will be effective as at July 1, 1973.

Issue 7 — Wages

Issue 13 — Term of Agreement

These two issues can conveniently be dealt with together.

Monthly rates of pay are set forth in Article 21.1 of the existing Collective Agreement (Exhibit 5 — Part A). The Guild, while conceding that the Company has been a "leader in the industry", submitted that the nature of the vessel and of the Company's operations required a substantial wage increase. The Guild submitted that effective November 1, 1972, wages should be increased by $150.00 per month across the board with an additional $150.00 a month increase on November 1, 1973. The Guild contended for a two-year agreement and conceded that its proposal represented an increase of 31.517% over the term.

The Company's submission included its most recent offer of $100.00 per month across the board over two and one-half years. The Company's proposal represents an increase of 10.51% over the term.

In the course of the Board's hearings, several agreements negotiated by the Guild with other employers were considered and admitted into evidence. In addition, Exhibit 10 contained several extracts relating to wages from a variety of contracts negotiated by the Guild.

The Board's attention was particularly directed toward Exhibit 8, the Agreement between the Guild and Towboat Industrial Relations Association of B.C.: effective date October 1, 1972 (hereinafter referred to as "the TIRA Agreement"), and proposed agreements included in Exhibit 10 between the Guild and the Canadian National Steamship Company and Canadian Pacific

Limited. The latter two proposals are currently before the membership of the Guild for ratification having been accepted by both employers.

The TIRA Agreement is effective as at October 1, 1972. The basic monthly rate for mates and second engineers on a class 9 tug are as follows:

February 1, 1973 to September 30, 1973 – $1,081.71;
October 1, 1973 to September 30, 1974 – $1,157.43;
October 1, 1974 to September 30, 1975 – $1,237.43.

The first increase in the Agreement is $75.72 per month and the second increase is $80.00 per month. Class 9 tugs are the largest of tugboat vessels. It should also be noted that when the previous TIRA Agreement expired on September 30, 1972, the equivalent rate was $1,001.71.

An examination of the documents contained within Exhibit 10 shows that the Guild in 1973 negotiated wage contracts identical with the TIRA Agreement with the following employers: Valley Towing, Lyttle Brothers, Harken Towing and Hodder Tug. The Guild has not successfully negotiated for wage rates that exceed those contained in the TIRA Agreement. Indeed, in 1973, the evidence indicates that the Guild negotiated contracts with Canadian Pacific Limited, Canadian National Steamship Company and Continental Explosives Ltd. that provided a smaller wage increase result than was accomplished by the TIRA Agreement.

The Agreement with Canadian Pacific Limited called for an increase of $100.00 per month to all classifications effective January 1, 1973 and an increase of $85.00 per month to all qualifications effective January 1, 1974. The Agreement with the Canadian National Steamship Company contained increases on the following basis:

Effective September 1, 1972 – $100.00 per month;
Effective September 1, 1973 – $85.00 per month;
Effective September 1, 1974 – $80.00 per month.

In arguing for a larger increase than is contained in the TIRA Agreement, the Guild submits that the SS "Alaska" is a larger vessel than a class 9 tug and that the qualifications for a first mate on the SS "Alaska" are (for example) greater than those required in the class 9 tug. Because of the uniqueness of the SS "Alaska" and its operations, the Guild indicated that it was unable to refer the Board to an equivalent wage/service situation.

The Company submitted that there was no evidence contained in Exhibit 10 to indicate that a higher wage rate is paid anywhere within the industry than that provided for work on class 9 tugs in the TIRA Agreement. The Company argued that this was so despite the fact that many of the vessels involved in the industry were obviously of greater size and operated under more adverse conditions. The Company pointed out that the agreements negotiated by the Guild with TIRA and Continental Explosives Ltd. were for all practical purposes identical ($80.00 in the first year and $74.00 in the second year). The Company submitted that the settlement proposals achieved by the Guild with the Canadian National Steamship Company and Canadian Pacific of $100.00 in the first year and $85.00 in the second were higher than those contained in the TIRA Agreement because the former included "catch-up" adjustments. (The Guild did not dispute the Company's contention with respect to "catch-up" adjustments).

The Guild submitted that the term of the new Agreement should be two years and the Company submitted that the Agreement should be for a minimum of two and one-half years.

In assessing the proper wage increase the Board has taken into consideration that both parties find themselves in a period of spiralling costs. Neither party chose to document these costs in the course of contending for the wage result they suggested. The Board is obliged, therefore, to have regard to the recent settlement trend within the industry. In examining these other results, the Board has had in mind that the employer here has been (by the Guild's admission) a "leader in the industry". Accordingly, no part of the Board's consideration has been devoted to "catch-up" provisions. While the Guild's wage demands have been specific, the Guild has been vague in justifying a wage result more generous than that contained in the TIRA Agreement and the proposals with the Canadian Pacific Railway and the Canadian National Steamships after taking into consideration that the latter proposals include "catch-up provisions". The Board accepts the Union's contention that the SS "Alaska" is a larger and more powerful vessel than are class 9 tugboats as that classification is understood in the TIRA Agreement. Nevertheless, the Guild was not able to refer the Board to any other recently negotiated agreement where the circumstances of the size and power of the vessel could assist the Board in properly determining that the wage result in the TIRA Agreement was inappropriate in the present situation. In reaching its decision the Board has also had in mind the increased cost that will necessarily be associated with the increased leave factor and overtime formula.

The Board has concluded that a proper wage increase would be $160.00 spread over a period of two and one-half years. The Board would suggest that increments of $80.00 be arranged for each of the fifteen-month periods making up the term of the proposed Collective Agreement. In suggesting a term of two and one-half years, the Board has had in mind that the parties have been without a new Agreement for almost a year.

Issue 8 – Cargo Rate Formula/Application: Routine Duties

At the moment this issue is governed by the provisions of Article 26 in the existing Collective Agreement. The rights therein specified for on-watch deck officers are flat rates. The Guild proposes that the Agreement be amended to calculate cargo rates on the basis of the overtime rates of the on-watch deck officers plus "the wage rate reflected in the new Agreement". The Company takes the position that the duties in question are of a routine and administrative nature and that because such duties are done on watch and not on overtime, flat rates and not overtime rates should be the basis of calculation.

The Board accepts the Company's submission and recommends that the flat rates specified in Article 26.1 be increased by the same percentage and on the same terms as the increase applicable to wages.

Issue 11 – Legal Defence Insurance

The Guild proposed that a new Article be added to the proposed Collective agreement in the following terms:

> "The Guild shall provide legal defence insurance which shall be paid for by the Company at the rate of $1.25 per month for each officer in its employ to become effective immediately on the signing of this Agreement".

The evidence indicated that the present practice of the Company was to provide its employees with legal services to defend any action that might be brought against an employee with respect to his actions during the course of his employment. The Guild asserts that there is precedence for its demand and reference is made to Article 105 of Exhibit 8.

The Company suggested that if it made the payments suggested to the Guild, it might be construed to be contributing financial or other support to the Guild in contravention of the provisions of Section 184(1) (b) of the Canada Labour Code. The Company was content to lead no expert evidence in support of its concern. The Board cannot be put in the position of construing the provisions of the said Section 184 on behalf of the parties with respect to the demand made by the Guild.

In all of the circumstances the Board agrees that this issue should be resolved in favour of the Guild.

Issue 12 — Severance Pay

The Guild has submitted that the Collective Agreement should contain a new Article with respect to severance pay. The Guild's proposed Article is as follows:

1. A full-time employee whose employment is terminated by the Company shall be paid severance pay at the rate of two days' wages at his basic rate for each completed year of continuous employment to a maximum of forty days' pay.
2. An employee shall be deemed to have been terminated when he is laid off.
3. For a period of twelve months, preference shall be given to laid-off employees over other Guild members when operations re-commence. In the event that a laid-off employee is reinstated, the amount of the severance pay shall not be greater than the basic rate of pay for the actual number of working days laid off.

In support of its submission, the Guild referred the Board to the fact that its agreement with Continental Explosives Limited includes provision for the payment of severance pay. The Company submitted to the Board that only five of the Guild's members are affected by the Continental Agreement and that the total Guild membership in the Western Region is in excess of 2,000 people. The Guild, in turn, submitted that out of its two thousand plus members in the Western Region, some 365 officers are employed by the Federal Government and have severance pay provisions.

There is no severance pay provision in the TIRA Agreement (Exhibit 8).

The controversy between the parties with respect to this issue was chiefly that the Guild is concerned that its members obtain severance pay when they are "laid off" by the Company. On the other hand, the Company is concerned that it not be required to pay severance pay except where the employee has been terminated after having been an employee for a measured period of time.

The difficulty the Board has had in dealing with this issue is that the Guild has not provided the Board with the wording of a clause that is suitably comprehensive. The Company has submitted that the question of termination and severance pay is, in any event, covered by Sections 60.4 and 61 of the Canada Labour Code. The Board has concluded that the employees covered by the proposed Collective Agreement would be entitled to take advantage of the benefits of the above Sections. In the result, the Board cannot recommend that there be separate reference in the proposed Collective Agreement to the issue of severance pay.

Issue 14 — Chief Engineer

It was obvious in the course of the Board's hearing that both parties recognized that the Chief Engineer occupies a key position on the vessel. The Guild is, of course, anxious that recognition be extended to include special wage treatment for the chief engineer. The Company obviously recognizes the worth of the chief engineer and appeared anxious to demonstrate that recognition by a special wage practice.

Some other evidence of the approach taken to the issue is the fact that the parties executed an addendum to the existing Collective Agreement with respect to wages for the chief engineer. As at October 31, 1972, the monthly rate was $1,300.00. In addition, the addendum provides that the senior chief engineer be allowed twenty days' pay annually because of his inability to take advantage of the conversion of overtime. The Company's brief indicates that this extra day provision has been the equivalent of $51.00 per month or 3.92%.

The Guild suggests that effective November 1, 1972, the chief engineer's rate be increased by $220.00 per month (for an annual salary of $18,240.00) and that the rate be further increased by $152.00 per month effective November 1, 1973 (for an annual salary of $20,064.00). The Company's brief indicated that the first of such increases would amount to 16.92% and the second 10% cumulative for a total percentage increase of 28.61%. In addition, the Guild submits that the chief engineer should receive a 15% flat rate for overtime and that the twenty day provision in Article 8 of the addendum be scrapped. The Guild further submitted that the 0.5 leave factor be instituted with respect to lay days.

In support of its submission, the Guild had reference to wages paid by the Federal Government to chief engineers on the Atlantic Coast. The figure referred to was $19,173.00 per year effective November 5, 1973 plus a flat 15% rate for overtime.

The Company argued that the wage rate comparison with respect to Federal Government vessels was inappropriate having in mind the different natures of the vessels and their circumstances of operation. In the course of the hearings the Guild agreed that there were private vessels comparable in size and operations to the SS "Alaska" but no evidence was placed before the Board to indicate rates of pay for the chief engineer on these vessels. On the evidence before it, the Board must conclude that except for the Federal Government vessels there is no precedent in the industry for the Guild's suggestion that a flat rate of 15% for overtime be added to the wage of the chief engineer.

The Company submitted that the wage proposals contended for by the Guild were "inappropriate". The Company contended that its comparative rates of pay as between the chief and second engineer had been "appropriate" for the period May 1, 1964 through to and including May 1, 1972. The Company introduced Exhibit 17 to illustrate the comparative rates of pay. That document discloses that as at May 1, 1972, the chief engineer received $280.00 per month more than the second engineer and that the percentage difference was 27.45%. The Company conceded, however, that a complete understanding of the comparative rates could only be realized when it is remembered that the second engineer is entitled under the Collective Agreement to overtime pay. For this reason Exhibit 17 is not of great assistance to the Board.

In its final submission, the Company said as follows:

> "The Company is not opposed to converting the present twenty-day package to "wages" but does not recognize any overtime percentage formula and maintains that these aspects must remain as built-in features of the basic rate. In addition, we agree that the wage increase to the position of chief engineer must be greater than that applicable to other ratings, at least to the degree that the present disparities are not reduced".

After giving consideration to all of the evidence and the submissions of both parties, the Board recommends that the chief engineer receive the wage increase set forth in its decision with respect to issue number 7, wages. In addition, the Board recommends that the chief engineer receive either a payment in lieu of overtime amounting to 11% of his total wage rate or that he be allowed forty-four days' pay annually because of his inability to take advantage of the conversion of overtime. The Board agrees that the leave factor of 0.5 be applied to lay days.

Issue 15 — Radio/Purser Addendum

The terms and conditions of the radio/purser's employment is set forth by way of addendum to the existing Collective Agreement (Exhibit 5—Part A). The wage rates struck in the addendum is that payable to the third mate. In addition, the radio/purser receives additional compensation in the sum of $100.00 per month.

The Guild advanced several proposed changes to the existing addendum. It was not, in the opinion of the Board, able to lead any

evidence to justify any change to the existing addendum. In the result, therefore, the Board concludes that the radio-purser shall continue to receive the wages of the third mate with the proposed increase and that the sum of $100.00 paid as additional compensation should be increased in the same proportion as the percentage increase suggested in the wages of the third mate.

DATED at the City of Vancouver, in the Province of British Columbia, this 23rd day of October, 1973.

(Sgd.) Paul D. K. Fraser,
Chairman

J. A. Pollock

John Michael Collins

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CONCILIATION BOARD REPORTS

No. 1, 1974

Conciliation Board Reports in disputes between:

Maritime Employers' Association (Port of Saint John, N.B.) and International Longshoremen's Association, Local 1764

Great Lakes Pilotage Authority Ltd., Cornwall, Ontario, and the Corporation of Professional Great Lakes Pilots

Air Canada and Canadian Air Line Employees' Association



CANADA DEPARTMENT OF LABOUR

Hon. John Munro, Minister

T. M. Eberlee, Deputy Minister

Report of Board of Conciliation and Investigation established to deal with dispute between:

Maritime Employers' Association

(acting for and on behalf of the Shipping Federation of Canada Inc.)

(Port of Saint John N.B.)

and

International Longshoremen's Association, Local 1764 (checkers)

The Conciliation Board established to deal with a dispute between Maritime Employers' Association (acting for and on behalf of the Shipping Federation of Canada Inc.) (Port of Saint John, N.B.) and International Longshoremen's Association, Local 1764 (checkers) was under the Chairmanship of D. Merlin Nunn of Halifax, Nova Scotia. He was appointed by the Minister of Labour on the joint recommendation from the other two members of the Board, Christopher Collier of Saint John, New Brunswick and George H. Newell of Ottawa, Ontario, who were previously appointed on the nomination of the company and union, respectively.

The report was received by the Minister in February.

By virtue of an appointment dated the 29th day of August, 1973 by The Honourable Mr. John Munro, Minister of Labour, I was appointed Chairman of a Conciliation Board with regard to a dispute between the above-noted parties. During the course of conciliation Mr. Mulroney found that he was unable to continue and a subsequent replacement was appointed through the Minister of Labour by telegram dated December 6, 1973. The person substituted as the employer nominee was Mr. Christopher Collier.

Of the initial Board, myself and Mr. Mulroney were also appointed on two other Boards, namely, the Conciliation Boards, appointed with regard to the dispute between Maritime Employers Association and International Longshoremen's Association, Local 269 at Halifax and between Maritime Employers Association and International Longshoremen's Association, Local 273 at Saint John—I as Chairman and Mr. Mulroney as Employer Nominee. Lengthy and protracted conciliation began both in Saint John and Halifax, with particular emphasis on Halifax, for the next three to four months following initial appointment. As a result, it was felt that the emphasis should be placed on obtaining the port agreement before entering into the conciliation involving Local 1764 (Checkers). It was indicated to me that this was acceptable to the parties so meetings were not held with the Checkers until after the Conciliation Board had reported in Halifax and after the final meetings were held in the Port of Saint John. The Board met on November 7, 1973 with the parties and on December 10 and 11, again with the parties. Meetings were scheduled for the Christmas period but due to the unavailability of air flights and the weather conditions at the time, those meetings had to be cancelled. Further meetings were held on January 9 and 10, 1974, following which the Board met in the absence of the parties on January 23.

Actual collective bargaining negotiations commenced between the parties hereto on or about October 1972 and a number of meetings were held between November 9, 1972 and March 30, 1973. At that point in time the parties were unable to reach agreement except on a relatively few minor items. A Conciliation Officer was appointed and held meetings with the parties on June 8, 14, 27 and 28. At that time the Conciliation Officer indicated he was unable to bring about an agreement between the parties.

When the Board met with the parties, both together and separately, its initial efforts were to endeavour to effect a collective agreement. I can only report that in those efforts the Board has failed. The Board considered each article of the expired collective agreement and the new proposals of both union and management and considered each item that had been indicated as agreed upon prior to the meetings of the Board despite some suggestion that several of the items which had been agreed upon are again open. It is the Board's view that all of those items which had been agreed upon earlier should form part of a new collective agreement. As the last two Boards of which I was Chairman followed the practice of suggesting the actual terms of a collective agreement, it is this Board's intention to follow that same practice. All of the items referred to above as have been agreed upon are incorporated in the recommended collective agreement attached hereto and forming part of this report.

Along with all the items and clauses which had been negotiated and agreed upon the Union requested a number of things and indicated quite clearly that they were unwilling to drop these other demands.

The most significant items requested by the union were:

(1) recognition changes;
(2) the right to establish a dispatch system and dispatch men on a rotational basis;
(3) the establishment of classifications;
(4) the introduction of a list of work rules relating to manning of members;
(5) wage increases plus cost of living escalation clause; and
(6) term of agreement.

The foregoing list indicates the dispute in a very general nature and while there were a number of other items not agreed upon they were not as significant as the foregoing and are covered in the terms contained in the recommended collective agreement. Dealing with the particular items referred to above, one of the most significant was recognition. The union requested recognition by the employer of "cargo repairmen, weighers and samplers, manifest clerks and office employees". Apparently the request related in part to the union's request for classifications as the employer indicated to the Board that cargo repairmen, weighers and samplers are all included in the generic term "checkers" but manifest clerks and office employees have not been in the union nor did the previous collective agreement cover them in any way. The union's claim for recognition was based on a certification order which had issued from the Canada Labour Relations Board approximately in 1950. It is the Board's view that there are a number of important questions relating to that certification and the intervening 23 years which would make it unwise for the Board to recommend changes along the lines requested by the union. It is the Board's view that there is an appropriate authority, namely, the Canada Labour Relations Board to determine the validity and extent of any of the orders issued by it and if the union wishes to increase the present recognition then they should make application to that Board. The Board feels very strongly that this ought not to be a strike issue between the parties and indeed a strike based on this particular

claim might prove to be unlawful. On this point the Board recommends the parties retain the recognition clause of the previous agreement.

The second most significant matter related to dispatch of men and the union strongly insisted on the right to establish a system for dispatch on a rotational basis. The argument to the Board was that this would distribute the work. The employer strongly opposed this request and indicated to the Board that such a dispatch system would operate adversely to the industry and would prevent them from having any continuity of work force. It was also suggested such a system would demoralize the work force as it would reduce substantially the income of the people currently employed by them. They also indicated that in the Port of Halifax the dispatch system was in need of revision and to create another dispatch system now would merely be a retrogressive step in their attempt to uplift some historic work practices. They also suggested that they had indeed paid quite substantially for these changes in the Port of Halifax and while no agreement was reached in the Port of Saint John they felt they would be making similar substantial payments in the Port of Saint John.

The Board was advised that this was not an item which had been requested by the checkers group in Halifax. The Board is not convinced of the merit of the union's claim for this matter and is not prepared to recommend that a dispatch system be instituted but rather that the present system remain in effect.

The matter of job classifications which was requested appears to be an inherent part of a contract in which detailed work rules were established and in view of the Board's recommendations on work rules the Board also recommends that the establishment of classifications as requested by the union is unnecessary.

The fourth general area of dispute was with regard to work rules. The union had requested an extensive list of work rules which obviously were intended to indicate what particular work each man would do and also it would set forth the number of checkers to be used for varying situations. The employer objected strenuously to this and gave a number of arguments against it. They indicated to the Board that no other local with which they negotiate relating to checkers from Hamilton to Halifax has work rules. While no agreement had been reached in Halifax at that time with the checkers the Halifax union had not requested the establishment of any work rules. They indicated that they would not agree to establishing precedents in Saint John which would place that port in a less competitive position than Halifax or other ports in the east. They also indicated that the industry was changing very quickly in terms of cargo handling techniques and as these changes occur so are there changes in the checking requirements and it would be a backward measure to introduce stringent work rules. They also indicated that the total trend in this regard has been away from restrictive practices and that the increases in wages and pensions have paid in substantial part for the removal of assorted restrictive practices. The union, on the other hand, was quite insistent on the establishment of such practices and strongly indicated that it would give the employees more certainty in their work and would have a beneficial effect on the port.

The Board is unable to agree with the union's contention and recommends against the establishment of work rules. Throughout the attempts by the Board to get an agreement it was clear that this was one area that the Board could not agree on certain rules and to perhaps delete certain others. It appeared that either there was to be an agreement with no other rules or that the agreement would contain most, if not all, of the rules suggested by the union, as far as the parties' position was concerned. As a result, it is the Board's view to accept the employer's position on this matter.

The Board was unable to obtain agreement on a wage increase nor on the cost of living escalation clause but the Board felt that since no cost of living escalation clause was recommended in either the Port of Halifax or the Port of Saint John the Board reports that such a clause ought not to be recommended here and the Board's recommendation on wages is that Local 1764 should receive the same wage increase as is received by the longshoremen in the general port agreement which will be entered by Local 273. Until such time as a different amount is reached, this Board recommends the same increase as was recommended by the Board involving Local 273.

With regard to the term of the agreement, the Board recommends a three year term. The union was very adamant on a two year term which would expire on December 31, 1974. The recommended term for the Port of Saint John general agreement was three years and that is the term which this Board feels should be recommended here. It can only be noted that whatever the term finally agreed upon by the parties one year and almost two months has already expired.

With the exception of a wage schedule, which can easily be determined from the recommendation contained herein, the Board is appending as part of this report a draft collective agreement and recommends the acceptance of such agreement by the parties.

The Board was unable to effect any significant compromises on the major items referred to above on either side but has included in the draft collective agreement compromises in effect between the parties on minor items.

There are several other items with which the union was concerned and which the Board feels should be mentioned although the Board does not agree that they should be included in the collective agreement. One of these relates to safety. The union had requested the appointment of a safety man but this is obviously impractical. The Board does feel that a safety committee consisting of one representative of the union and one representative of the employer be constituted to deal with matters of safety. The recommendations in the report relating to Local 269 covered this point and perhaps the matter of safety can be handled as a port problem with the various locals concerned participating in a safety program.

Along with the safety considerations was a request for ambulance service. Again, this was dealt with by the Conciliation Board dealing with Local 269 and certain recommendations were made therein and those recommendations involved the gathering together of representatives of the union, employer and the National Harbours Board to study the need for ambulance services and the possibility of providing such services.

One other matter which was considered by the Board, although no substantial amount of time was spent on it, was the matter of pensions and the Board would recommend that the pension plan be identical to that recommended in the general port.

The Board regrets the delay in producing this report but feels that the existing conditions of the negotiations between the larger locals in the Ports of Halifax and Saint John prevented undue haste in attempting to reach agreement with Local 1764 and the Maritime Employers Association. It was very obvious that if a port agreement was reached it might render an agreement with Local 1764 easier to obtain.

The Board further and perhaps more especially regrets that it was unable to effect an agreement between the parties and hopes the parties will see fit to accept its recommendations.

(Sgd.) D. Merlin Nunn
Chairman

Christopher Collier
Employer Nominee

George H. Newell
Union Nominee

COLLECTIVE AGREEMENT

BETWEEN:

ON THE ONE PART:

The Maritime Employers Association acting for and on behalf of members of The Shipping Federation of Canada, Inc., employing steamship companies, agents and contracting stevedores, handling vessels and/or cargo in the Port of Saint John, N.B.,

hereinafter referred to as "Management".

AND:

ON THE OTHER PART:

The International Longshoremen's Association, Local 1764, Saint John, N.B.,

hereinafter referred to as "the Union".

SECTION I – PURPOSE

The general purpose of this Agreement is to establish mutually satisfactory relations between the Maritime Employers Association/ Companies and the Union, and to provide machinery for the prompt disposition of grievances and to establish satisfactory working conditions, hours of work and wages for all employees who are subject to the provisions of this Agreement.

SECTION II – RECOGNITION

(a) The Companies recognize the Union as the exclusive bargaining agent of all its members employed at the Port of Saint John, N.B., classified as Checkers and Coopers.

The Union recognized the Maritime Employers Association as the exclusive bargaining agent for its members in the Port of Saint John, N.B.

(b) It is agreed that on all ocean vessels in the Port of Saint John, N.B., under the jurisdiction of the signatories to this Agreement, where an employer desires cargo to be checked and/or coopered, the work shall be performed by members of the Union.

(c) The Companies/Contracting Stevedores agree that they will not discriminate against any employee by reason of his legitimate Union activities.

SECTION III – HOURS OF WORK

3:01

The hours of work and meal hours shall be as follows:

Work Periods	Meal Hours
from 8:00 A.M. to 12:00 Noon	12:00 Noon to 1:00 P.M.
from 1:00 P.M. to 5:00 P.M.	5:00 P.M. to 7:00 P.M.
from 7:00 P.M. to 11:00 P.M.	11:00 P.M. to 12:00 Midnight &
from 7:00 P.M. to 4:00 A.M.	4:00 A.M. to 8:00 A.M.
from 7:00 P.M. to a finish	4:00 A.M. to 4:30 A.M.
*from 12:00 Midnight to 8:00 A.M.	

OR

*Work Periods	1/2 Hr. Meal Period to Start
from 8:00 A.M. to 4:00 P.M.	between 11:30 A.M. and 1:30 P.M.
from 4:00 P.M. to 12:00 Midnight	between 7:30 P.M. and 9:30 P.M.
from 12:00 Midnight to 8:00 A.M.	between 3:30 A.M. and 5:30 A.M.

*It is understood that both the midnight start and the option of 3 shifts apply only to container terminal operation Roll-on/Roll-off operations and non-ship work.

3:02

Employees required to work through any meal hour(s) shall be paid appropriate meal hour rate for such hour(s) and double the prevailing rate for the succeeding work period until relieved for meals. Employees shall work through the meal hour(s) when and as ordered by Management.

SECTION IV – GUARANTEES

(a) A minimum of four (4) hours' pay in accordance with the attached Schedule shall be paid by Management on each call of the day except that Management guarantees to pay a minimum of eight (8) hours' pay as per the attached Schedule for work commencing at twelve midnight. However, notwithstanding the above, when weather conditions prevent work starting in which case Management may: on the first call of the day, release men and pay two (2) hours' pay and men will not be required to stand-by, or stand them by in which case they shall be paid four (4) hours' pay; and, on all subsequent calls if the men are stood by they shall be paid a minimum of two (2) hours' pay, except at (i) the 6:00 p.m. call when a minimum of three (3) hours' pay will be paid, and (ii) the midnight call when eight (8) hours' pay will be paid unless the men are released at midnight when two (2) hours' pay will be paid. If men are turned to they shall receive the guarantee as set forth above.

Any employee who refuses to stand-by or who refuses to start work while standing-by shall not be paid the stand-by pay provided for herein.

(b) When men have worked past the hour, they shall be paid for the quarter hour, and if past the quarter hour, they shall be paid for the half hour, and if past the half hour, they shall be paid for the three-quarter hour, and if past the three-quarter hour, they shall be paid for the full hour.

SECTION V – DISCIPLINE

(a) The Union agrees that it will not uphold incompetence, shirking of work, absenteeism, pilfering or broaching of cargo, drinking of alcoholic beverages on the job or reporting for work under the influence of alcohol. An employee may be discharged or otherwise dealt with as Management sees fit, for committing any of the above offences or for any other reasonable cause, but a claim by an employee that he has been disciplined without reasonable cause may be the subject of a grievance. Any employee suspended or discharged by Management will not be dispatched by the Union to any Comapny unless he is reinstated by agreement of the parties or pursuant to the arbitration procedure.

(b) Charges against an employee resulting in dismissal or suspension may be resolved on appeal by the Grievance Committee upholding the Management's action, or restoring the employee to his former position with full compensation for all regular time lost after deduction of moneys earned elsewhere or by any other arrangement which is considered just and equitable by the parties.

(c) "Any member of the Union discharged or disciplined under the terms of Paragraph (a) above, shall receive written notice from Management stating the reason for his being discharged or disciplined, and a copy of this notice will be sent to the Union."

SECTION VI – ADMINISTRATION

(a) Management acknowledges the right of the Union to appoint or otherwise select a Business Agent and agrees to recognize him for the purpose of policing the administration of this Agreement. However, it is agreed that in the performance of their duties, the President and the Business Agent shall not interfere in the progress of the work of the employees nor hinder Management in the exercise of its rights.

In the event the Business Agent will be absent from work, he may appoint a replacement from among the Union membership who shall act as Business Agent for the duration of such absence. Written notice of any such appointment will be given to the Maritime Employers Association.

(b) No rules, regulations or resolutions shall be passed by the Companies or the Union which are inconsistent with the provisions of this Agreement.

(c) In consideration of the terms and conditions agreed to between the parties to this Agreement, the Union undertakes and agrees to supply the necessary men to perform all work required by the Companies under the Agreement throughout its term.

(d) The parties agree that men will be assigned to work covered by this Agreement, exclusively to employers who are members of the Maritime Employers Association.

(e) The Union, nor any officer or member thereof, shall not subject an employee to any penalty or sanction as a result of any act committed in the performance of their duties, as instructed by the Company.

SECTION VII – VIOLATION OF AGREEMENT

Should working conditions as set out in present Agreement be violated by either party to this Agreement or by any person represented by either party, the party affected by said violation may submit a grievance according to Section VIII. In such cases, the Board of Arbitration has the authority to order reimbursement of any payment made by any Company or loss suffered by any employee, as a result of said violation and/or exemplary damages.

SECTION VIII – GRIEVANCE AND ARBITRATION PROCEDURE

(a) The Union shall appoint or otherwise select a Grievance Committee to consist of the Business Agent and two other members, and shall notify Management of the names of the members of their Grievance Committee within seven (7) days of the signing of this Agreement. Management shall likewise select a Grievance Committee to consist of not more than three persons and shall notify the Union of their names within seven (7) days of the signing of this Agreement. It is agreed that the Union and Management may appoint or otherwise select a substitute for any of the members of their respective Grievance Committees whenever they deem such substitution necessary.

(b) **Step 1** – Any complaint by one or more employees concerning the interpretation/application of this Agreement will be communicated firstly and verbally to the Head Checker.

Step 2 – If the dispute is not resolved immediately at Step 1, the Union may formulate a grievance and present same in writing within the following seventy-two (72) hours to the local Manager of the Company, who will render his decision in writing within the following three (3) working days.

Step 3 – Within two working days following the Manager's decision, the party wishing to pursue the grievance will notify the Grievance Committee in writing. The Grievance Committees will attempt to settle the grievance within five (5) working days following receipt of such notice.

Step 4 –If the grievance is not resolved at Step 3, it may be submitted to a single Arbitrator chosen in accordance with this Agreement. The Arbitrator will render his decision in the following seven (7) working days, or within such further delay as the parties may agree upon. A request for arbitration may be initiated by either the Union or Management. The party requesting arbitration shall set forth in writing the matter submitted the Arbitrator and send a copy of it to the other party.

(c) Failure on the part of the grievor to follow the above procedure shall be conclusive evidence of the abandoning or non-existence of a dispute or grievance unless the time limits are extended by mutual agreement between the parties in writing.

(d) Should Management wish to file a grievance alleging violation of this Agreement by one or more employees or by the Union, it may do so commencing at Step 2 of the above procedure by submitting the grievance in writing to the President and/or the Business Agent.

(e) The single Arbitrator shall be selected from the following persons, namely:

(f) When all the Arbitrators mentioned above are not available, an Arbitrator shall be chosen by the parties or by the Minister of Labour if the said parties cannot agree on the choice of an Arbitrator. The Arbitrator's honorariums and fees, and necessary expenses, if any, will be equally divided by the parties.

(g) The Arbitrator will have jurisdiction over any question relating to the interpretation or application of this Agreement as well as the application and implementation of an arbitration decision, but he will in no case be empowered to amend, modify, add to or delete any part of this agreement.

(h) Pending disposal of a dispute in accordance with the above procedure, the men shall continue to work as instructed by Management.

SECTION IX – PROHIBITION AGAINST ILLEGAL STRIKES AND ILLEGAL LOCKOUTS

(a) In view of the orderly arrangements provided by this Agreement for the settling of grievances, the Union agrees with the Companies that during the lifetime of this Agreement there shall be no strike, slowdown or stoppage of work either complete or partial, and the Companies agree that there will be no lockout.

(b) For the purposes of this article, the word "strike" includes (a) a cessation of work or a refusal of/to work or to continue to work by the employees in combination or in concert or in accordance with a common understanding, and (b) a "slowdown" of work or other concerted activity on the part of the employees in relation to the work that is designed to restrict or limit output. "Lockout" means the close of a place of employment done to compel employees or to aid another Management to compel its employees to agree to terms or conditions of employment.

SECTION X – GENERAL

(a) It is understood by the parties to this Agreement that this Agreement as written constitutes the full and only agreement between the parties and covers all working conditions to be observed by both. It is further agreed that no previous conditions, practices, customs, rules or agreements shall be recognized or permitted to modify the terms of this Agreement.

(b) The Union recognizes that the management of the operation and direction of the work force including, but not limited to, the right to direct, plan and control operations and the Checkers' working hours, determine all work procedures and methods, the right to hire, assign, promote, demote, transfer, increase and/or decrease the size of the work force, maintain order and discipline including suspend or discharge employees for just cause or to release employees for other legitimate reasons, the right to introduce new and improved methods and to generally manage the operation, is vested exclusively in Management subject to preserving the health and safety of the employees and in compliance with all legal requirements and the provisions of this Agreement.

(c) Men shall not leave work before completion of a period except with the consent of their immediate Supervisor.

(d) Rules established by the Company and the National Harbours Board with regard to smoking on ships or in sheds shall be observed at all times.

(e) Checkers to be informed a half hour before expiry of the last working period of the day if they will not be required for the first call of the following day.

(f) A Company shall have the option of selecting a basic work force at any time. Such permanent work force shall perform any and all work required of it by the Company at its operation and the Company shall have priority to the members of its permanent work force.

(g) The men shall be flexible and interchangeable to the extent that during a work period, they will perform any and all work collectively or individually when and as directed by Management.

SECTION XI – WAGES AND FRINGE BENEFITS

(a) The parties to this Agreement agree to accept and adhere to the Schedule of Wages appended hereto which are hereby made a part of this Agreement.

(b) The rates of pay for all hours worked on the following holidays or their day of observance shall be as per the appended Schedule of Wages: Sundays, New Year's Day, Good Friday, Victoria Day, Dominion Day, Remembrance Day, Labour Day, Thanksgiving Day and Christmas Day.

(c) Seven and one-half percent (7½%) of gross earnings will be paid to the men as vacation benefits. It is agreed that vacation benefits will be calculated on wages earned during the twelve (12) month period ending with the end of the pay week closest to October 1, and that such benefits will be paid not later than December 15. As of the date of ratification, vacation benefits on wages earned after that date will be based on eight percent (8%).

(d) In accordance with the Canada Pension Plan, which became effective January 1, 1966, the Companies/ Contracting Stevedores agree to make the required employer contribution on behalf of each shore labour employee covered by this Agreement to the Canada Pension Plan and to deduct the required employee contribution from the wages of each employee employed under this Agreement and to remit such deductions to the Canada Pension Plan.

(e) Stowage men, office men and head checkers to receive an additional 15 cents per hour over schedule rates (non-pyramiding).

TERMINATION

This Agreement shall be effective from the date of its ratification until December 31, 1975, and thereafter from year to year, unless or until either party gives notice to the contrary during the period of October1, 1975, to December 31, 1975, or the period of October 1st to December 31st of any subsequent year.

DISSENT REPORT UNION NOMINEE OF THE CONCILIATION BOARD

For the sole purpose of brevity, I propose to submit my report directly on matters of dispute, concerning the above noted parties and not disagree with the general comments of the Board's Chairman, regarding Structure of the Board, dates of meetings, failure of the Board to bring about a collective agreement. I, nevertheless, strongly disagree with the Chairman of the Board, and the Employer's Nominee, in their recommendations on the following articles:

(1) recognition changes;

(2) the right to establish a dispatch system and dispatch men on a rotational basis;

(3) safety clause;

(4) rest room accommodations – office space for checkers carrying out office work;

(5) guarantees;

(6) discipline;

(7) Section IX – re: Chairman's proposed contract;

(8) Section XI – re: Chairman's proposed contract;

(9) relief checker.

I, therefore, recommend the following:

(1) The companies recognize the Union as the bargaining agent of all its members at the Port of Saint John, New Brunswick, classified as Checkers, Cargo Repairmen (Coopers), Weighers and Samplers, Manifest Clerks and Office Employees

The Union recognizes the Maritime Employers Association as the bargaining agent for its members in the Port of Saint John, N.B.

It is agreed that all work performed on ocean vessels in the Port of Saint John, N.B., under the jurisdiction of the signatories to this Agreement, said work shall be performed by members of the Union.

(2) That a dispatch system on a rotational basis, be incorporated within the Collective Agreement that would equalize the weekly earning of the members of Local 1764.

That a copy of each weeks earnings of employees be submitted to the Business Agent and the President of Local 1764.

This Article has received serious consideration from the membership of Local 1764, and recognizing the change in hiring procedure that the above Article would bring about to Maritime Employers Association, I further recommend (A) that each Company be allowed to keep a small core, not to exceed four employees, as a permanent work force; and (B) that a complete

review of this system (A) be instituted after a trial period of one year, by the Maritime Employers Association and Local 1764, for the purpose of emprovement or modification by both parties signatories to this Agreement.

Safety Clause

The overall historical aspect of Industrial Safety has been an example of frustration, and often cited as examples of "Effort in Futility", unless it is written into a Collective Agreement. In the meantime, Employees are injured, maimed for life or killed, simply because the various levels of Government cannot effectively implement a safety program in an industry that refuses to write into a Collective Agreement an effective safety article. I, therefore, strongly recommend the following:

A. That an article on a Safety Committee be written into the Collective Agreement.

B. That said Committee consist of two representatives from the Union, and two representatives from the Employer.

C. That the Chairman of said Committee be rotated every six months between the employees members of the Committee and the Employers members of said Committee.

D. That the full services of the Federal Department of Labour, Industrial Safety Branch be utilized in drafting terms of references of the duties and responsibilities of said Committee.

E. That all grievances pertaining to safety be entered on Step 2.

F. If the grievance(s) are not resolved at Step 2, it may be submitted directly to Step 4.

Rest Room Accommodations

That proper warm rest rooms, with sanitary facilities, be provided.

Proper heated accommodations be provided to accommodate employees carrying out clerical work.

Guarantees – Chairman's Proposed Agreement

(a) When weather conditions prevent work starting Management shall: on the first call of the day, release men and pay four (4) hours' pay.

(ii) The midnight call will be an eight (8) hour pay call.

Section V – Discipline – Chairman's Proposed Agreement

Delete

(a) "Any employee suspended or discharged by Management will not be dispatched by the Union to any Company unless he is reinstated by agreement of the parties or pursuant to the arbitration procedure."

Section IX – Prohibition Against Illegal Strikes and Illegal Lockouts

Delete

(b) "For the purposes of this Article, the word "strike" includes (a) a cessation of work or a refusal of/to work or to continue to work by the employees in combination or in concert or in accordance with a common understanding, and (b) a "slowdown" of work or other concerted activity on the part of the employees in relation to the work that is designed to restrict or limit output. "Lockout" means the close of a place of employment done to compel employees or to aid another Management to compel its employees to agree to terms on conditions of employment."

Section XI – Wages and Fringe Benefits – Chairman's Proposed Agreement

(e) Stowage men, office men and head checkers to receive an additional 25 cents per hour over schedule rates (non-pyramiding).

That an article be written into the Collective Agreement pertaining to: wherever checkers are employed on a continuous checking procedure, that a relief checker be employed to allow these checkers a relief period.

(Sgd.) George H. Newell,
Union Nominee,

Report of Board of Conciliation and Investigation established to deal with dispute between:

Great Lakes Pilotage Authority Ltd.

and

The Corporation of Professional Great Lakes Pilots

The Conciliation Board established to deal with a dispute between Great Lakes Pilotage Authority Ltd., Cornwall, Ontario, and the Corporation of Professional Great Lakes Pilots (representing a unit of Canadian licensed ships' pilots) was under the Chairmanship of George S. P. Ferguson, Q.C., of Toronto. He was appointed by the Minister of Labour in the absence of a joint recommendation from the other two members of the Board, Bernard M. Deschenes, Q.C., of Montréal and Matthew A. Heeley of St. Catharines, who were previously appointed on the nomination of the company and union, respectively.

The unanimous report was received by the Minister in February.

The representatives of the parties agreed that the Conciliation Board had been properly constituted and had jurisdiction to deal with the matters in dispute between the parties. The Board conducted hearings in Toronto on January 14, 15, and 16, 1974, and had an executive meeting on January 31st, 1974.

The last Collective Agreement between the parties expired on March 31st, 1973. Direct negotiations were carried on by the parties and in due course the conciliation officer procedure was exhausted. Representations were submitted to the Board on each of the following matters which were alleged to be in dispute for the

purposes of settling the terms and conditions of a new Collective Agreement. During the course of the Board hearings certain other matters which had been in dispute were settled.

1. Definition of navigation season.
2. Voluntary early retirement of pilots over the age of 60 years.
3. Days of rest for Lake pilots.
4. Hours of work.
5. Meal Allowances.
6. Vacation Schedules.
7. Long term disability plan.
8. Sick leave cash out.
9. Payment of premiums under health and welfare programme.
10. Payment of transportation.
11. Wages.
12. Term of Collective Agreement.

During the course of its hearings the Board attempted to bring about a settlement of all issues in dispute. Not having resolved all of these issues the Board now submits its unanimous recommendations on certain terms and conditions of a new Collective Agreement which shall remain in force for three years from April 1st, 1973, until March 31st, 1976. It is the Board's view that these recommendations should be acceptable to both parties. On certain matters listed above the Board does not make any recommendations and the Board makes no comment on the settlement reached by the parties on many other matters.

Definition of Navigation Season

The Board recommends that Article 11.05 be amended so as to read as follows:

> At the beginning and at the end of the navigation season, all pilots shall be taken on the strength of the Authority and struck off strength at the same time.

Days of Rest for Lake Pilots

The Board recommends that for the purposes of the 1973 navigation season each Lake Pilot be paid an additional one days pay for each month of service. A month of service is defined as including a month during which ten or more days are worked. For the purposes of the 1974 navigation season, the Board recommends that Lake Pilots be granted an additional two days of rest for each twenty-eight day cycle. Therefore, in 1974, the Lake Pilots shall be granted six days of rest in each cycle. The Board further recommends that for the purposes of the 1975 navigation season the Lake Pilots be granted eight days of rest for each twenty-eight day cycle. Therefore, in 1975, the days of rest in a cycle shall be identical for all pilots.

Meal Allowances

The Board recommends that Article 14 be amended so as to include the following meal allowances:

(a) Effective for the navigation season of 1974: Breakfast -$2.00; Lunch -$2.75; and Dinner -$5.50

(b) Effective for the navigation season of 1975: Breakfast -$2.00; Lunch -$3.00; and Dinner -$6.00

Long-term Disability Plan

The Board recommends that the Authority pay in the third year of the term of the new Collective Agreement which commences on April 1st, 1975, an amount of $225 for each pilot who is regularly on duty during the 1975 navigation season. This payment from the Authority will be placed in a separate account for the use of the Corporation in paying a part or all of the premium cost of a long-term disability group plan. Any additional premium required for the implementation of such a plan shall be paid by the pilots covered by the plan. It is further recommended that the Authority provide administrative assistance for the purpose of maintaining proper accounting records for the plan and for the purpose of deducting from wages any contributions by the pilots toward the total premium cost. However, the Corporation shall have the responsibility to negotiate and finalize the terms and conditions of the plan with an underwriter acceptable to it.

Sick Leave Cash Out

The Board recommends that Article 19 shall be amended for the purposes of providing a cash out system for sick leave credits by including the following provision in the new Collective Agreement.

> Employees may opt to use 1/3 of the amount added to their accumulation of sick leave during the previous year by receiving payment for this period at their regular rate of pay provided this use does not reduce the total accumulation below fifteen days. Such option must be made during January of each year and payment shall be made in April.

The Board further recommends that the above noted provision shall be effective on the basis of pilots having the right to exercise their first option in January, 1975, in respect to accumulation of sick leave during the 1974 navigation season.

Payment of Premiums Under Health and Welfare Programmes

The Board recommends that Article 22.01 be amended, for the purpose of clarification, so as to confirm the obligation of the Authority to pay 100% of the life insurance premium throughout the year, and, therefore, throughout the term of the Collective Agreement.

Payment of Transportation

The Board recommends that, commencing in the 1974 navigation season, the Authority provide for payment of transportation for pilots within a radius of twelve miles from the location of Lock No. 7.

Wages

The Board recommends that the following salary schedule shall apply during the term of the new Collective Agreement.

	1973	1974	1975
District Pilots	$2,862	$3,020	$3,200
Lake Pilots	2,475	2,633	2,900

In addition to the above, the Board recommends that each pilot who was regularly on duty during the 1973 navigation season be paid a lump sum payment of $150. If a pilot does not qualify to receive this full amount then he shall receive a portion of the amount calculated on a pro rata basis depending on the period of time when he was regularly on duty.

Term of Collective Agreement

The Board recommends that the new Collective Agreement shall be for a term of three years from April 1, 1973, to March 31, 1976.

The Board wishes to record its appreciation to counsel and to the representatives of the parties for their extremely able presentations and for the courtesy and assistance which they extended to the Board.

DATED at Toronto, this 8th day of February, 1974.

George S.P. Ferguson, Q.C., Chairman

Bernard M. Deschenes, Q.C., Nominee

Matthew A. Heeley, Nominee of the Corporation

Report of Board of Conciliation and Investigation established to deal with dispute between:

Air Canada

and

Canadian Air Line Employees' Association

The Conciliation Board established to deal with a dispute between Air Canada and Canadian Air Line Employees' Association (representing a unit of passenger and communications agents) was under the Chairmanship of Stanley H. Hartt of Montreal, Québec. He was appointed by the Minister of Labour on the joint recommendation of the other two members of the Board, R. N. Gilmore of Toronto, Ontario, and Douglas Fisher of Stittsville, Ontario, who were previously appointed on the nomination of the company and union, respectively.

The report was received by the Minister in February.

This will constitute the report of the Board of Conciliation in this matter. Meetings of the Board with the parties were held in the City of Montreal, Québec, on the 8th, 9th, 10th, 11th, 12th, 13th, 14th, 15th, and 16th of February, 1974.

An extremely lengthy list of outstanding items remained open at the time the parties first met with the Board. In part, this phenomenon appears to be due to a lack of trust in the relationship between the parties. The Union's concern with any contractual provisions relating to the employer's flexibility in scheduling the work force appears to be based on a fear that the Company's long term goal is to minimize the size of the passenger agents' bargaining unit, which could be accomplished, to some degree, by the assignment of tasks, hitherto performed by passenger agents, to members of other bargaining units or to unorganized personnel. The Company denies that this intention exists but admits that, on occasion, over-zealous local managers use the text of the Collective Agreement to carefully plan around the guarantees bargained for by the Union at the latest negotiations and thus to frustrate the intent of the last settlement. This creates a pressure on the third parties, appointed to intervene in the dispute and to bring the parties together, to write perfect, fool-proof contractual provisions which no conciliator and no Board of Conciliation is wise enough to do. The good faith and trust which must lie at the heart of the application of any Collective Agreement must come from the parties themselves and cannot be super-imposed. Many of the complaints raised by the Union could have adequately been handled through the grievance and arbitration procedures of the existing Agreement, but there appeared to be a reluctance on the part of the Union to use these available recourses because of the time and cost involved and because, of course, the settlement of a grievance or an arbitral award speaks only to the facts in question and need not necessarily establish a generally applicable rule to solve all future problems of a like nature.

The atmosphere of distrust led to the parties' reserving, for the later stages of negotiation, bargaining positions which they had already come to in their own minds. Conciliation officers, of course, must by now have become used to this phenomenon and accepted its frustrations. The frustration for the Conciliation Board, however, is that, in its terms of reference, it often cannot adequately deal with issues which require to be researched and discussed at great length. An example of this kind of problem was that related to pensions and other employee benefit plans involved in these negotiations about which more will be said below. In the interest of making the industrial relations process work in the manner in which it was intended, and to induce, indeed oblige, the parties to come more quickly to realistic positions, you might consider, Mr. Minister, at the next round of general negotiations between these parties, advising them through the industry specialist that there is a possibility that no Conciliation Board will be appointed. This would force a more realistic appraisal of the demands and offers made at direct negotiations and before the conciliation officer so that maximum progress could be made and so that only the major issues on which the parties could not come to agreement were submitted to the Conciliation Board if one were later to be appointed. It is also noteworthy that because of the increase in the availability of post-board-report mediation and other types of intervention by your officials, there seemed, at least with the parties involved in the present dispute, to be a current of thought that the Conciliation Board was not really the last stage in interest-dispute resolution, and this made the work of the Board harder because there was a withholding of positions for whatever later stages might occur. As you are well aware, the tendency of legislation in many jurisdictions in Canada is to do away with the Board stage entirely and, in some cases, even the conciliation officer can be by-passed. The theoretical purpose of these institutional changes is to create more of a guessing-game atmosphere with the threat of work stoppage looming as the best pressure to settlement. While we would not suggest that all third party intervention be eliminated, because a creative conciliator can indeed help the parties, the Air Canada-CALEA negotiations next time around would be assisted by a little uncertainty as to what was coming next.

At the outset of the hearings, the parties agreed to approach first the normative or language clauses of the Collective Agreement with a view to disposing of these, reserving only those issues where a significant cost was involved for resolution at the end. We are pleased to report that the Board was successful in obtaining agreement on the texts of the majority of outstanding items and in having the same initialled. While it is understood that the parties would not be bound by any agreement reached on individual clauses unless and until an entire Agreement was concluded, it is fair to state that the parties are in basic agreement on the texts attached and, in any event, this Board would recommend that the resolution of this dispute, as regards these items, be in accordance with the initialled texts.

1.04.09	— definition of work schedule
2.03	— prohibition against non-bargaining unit persons performing bargaining unit tasks
5.01	— provision for rates of pay on a weekly basis
5.03	— training period
5.05.03	— normal shift starting times and irregular shift premium
5.09	— hours not worked debited on an hourly basis
6.02	— joint meetings to develop work schedules
6.03	— Company to provide details of manpower requirements
6.04	— work schedules subject to approval of employees at the location
6.05	— rotation through shift starting times
6.06	— notice for changing shift, shift starting time or work schedule
6.07	— debiting and crediting time lost or gained upon change of shift, shift starting time or work schedule
6.08	— meal periods
6.09	— overtime on a scheduled day off
6.10	— meal allowance
6.11	— rest periods
6.12	— rest periods on scheduled day off or on overtime on scheduled work day
7.03	— recording of authorized overtime
7.05	— compensatory time off for overtime
7.06	— payment of time credits
7.07	— deduction of undertime
13.02	— notice re statutory holiday
18.03.04	— Union/management headquarters meetings
18.04	— time off for Union business
18.13	— training other than on the employee's scheduled shift
Letter of Understanding No. 2	— Service credits on change of status from part-time to full-time or vice versa
Letter of Understanding No. 4	— L.4.01.04 — meal periods for part-time employees
Letter of Understanding No. 6	— language
Letter of Understanding No. 9	— limitation on current practice of having passenger agents perform duties falling within classifications of other Collective Agreements
Letter to the Union	— re prohibitions on overtime
Memorandum of Settlement	— re Mirabel and Pickering airports; the form provided for under Article 10.16; dress of employees at offices not normally open to the public

One other item was prepared for signature, but not signed because the Board had moved on to the monetary issues. The Board is satisfied that the parties have agreed to the text of this item (Letter of Understanding No. 8 — Relief Assignments) and a copy of the text is attached, recommended formally by this Board to form part of the proposed settlement.

At the completion of this stage of the Board's proceedings, the following items still remained outstanding:

5.04	— rates of pay (including adjustment to the increment between the 8th and 9th wage level and the addition of a 10th wage level, and a cost of living escalator clause)
5.05	— shift, language and weekend premiums
5.08	— longevity pay The Union also demanded a cash settlement of $200.00 to each employee in lieu of the $200.00 paid to all unorganized employees as a result of the strike of another group of employees during the term of the expired Collective Agreement
6.01	— hours of work (Articles 6.09 and 6.12 contained blanks which would be filled in according to whether or not the reduction of hours took place)
7.04	— overtime multiples
13.01	— addition of an 11th holiday
13.03,04,05,06	— credit for time worked on a holiday
13.07	— any additional holidays granted to any other group of employees to apply to CALEA
18.06	— uniform costs and cleaning
18.15	— transportation allowance
18.16	— car allowance
L.1.05.11	— limitation on use of part-time employees
Letter of Understanding	— employee benefit plans (group disability income program, survivors income benefit, employee savings plan, allocation of rebate allowed by U.I.C., miscellaneous demands re employee benefit plans, and proposals re Air Canada pension plan)

The Company, for its part, had on the table a demand relating to the extension of the training hours per day for part-time employees, the increase in the use of part-time employees and the increase in the number of hours per day during which part-time employees could be used. The Company also proposed to increase the maximum coverage under the group life plan.

The entire discussion of how these items should be resolved was coloured by the issue of the pension plan and other employee benefit plans. Air Canada, advised by its pension and benefit consultants, resisted strongly any attempt to modify the pension plan through negotiations and/or to establish a separate sub-fund or

a separate plan for CALEA participants. In part, Air Canada's reluctance appeared to be based on the fact that the plan had stood the test of time and that it did not want to meddle with a good thing. Additionally, of course, there was the fear that the employee benefit plans might become fragmented if other union groups followed CALEA's lead. This would have an effect on the contingent funding obligations assumed by the Company. The Union, for its part, alleged that there was discrimination built into the plan in that lower-paid employees, such as the CALEA group, received a lower credit as a percentage of earnings than higher-paid employees for pension purposes. This was the result of the higher rate of credit applied to earnings in excess of the maximum pensionable earnings under the Canada and Quebec pension plans. It was also alleged that the Company practice of charging to payroll budgets an average percentage of payroll for all groups amounts to a subsidy by CALEA for the other groups whose benefits would be higher. The Union stated that although the provisions of the last Board report, providing for the making available to CALEA of information concerning the pension plan, had been observed, the kinds of information provided had been raw data and had not included the actuarial work-ups of cost, funding and benefit levels which would apply to CALEA participants only. The Union claimed it needed more information in order to establish categorically that the alleged discrimination in fact existed, although the Union expected that the information would bear out its hypothesis and that it would ultimately conclude to have a separate pension plan for CALEA participants.

The Board suggested that this issue could be approached in two ways. Either the parties could meet the issue of changes to the existing pension plan (possibly including the establishment of a separate sub-fund or separate plan) at these negotiations or they could deal with the information which could be provided to the Union during the term of a relatively short agreement and raise the issue again at a later time. The Union greatly preferred the concept of a short-term agreement, say 15 months, during which the actuarial data could be studied and at the end of which pensions could be negotiated based on full information. The Company was reluctant to deal with the merits of specific changes to the pension plan within the short time available to the Board and without an opportunity to consult the other employee groups represented on the pension committee, but felt that 15 months was not a solution to anything and was just a short extension of the status quo. The Board has considered all of the representations made to it and recommends the resolution of this dispute on the following basis (in respect of all items not specifically addressed below, the Board's recommendation would be that they be left aside at these negotiations and that no change be made with respect thereto):

Term: 24 months, commencing October 1, 1973

Full retroactivity

Wages: Effective October 1, 1973, a general increase of all rates of pay of 9%. A further 7% general across-the-board increase to rates of pay shall be effective October 1, 1974.

A cost of living escalation clause is recommended to adjust for cost of living increases during the term of the Agreement. The following provisions would govern such an escalation allowance:

a) the last monthly release of the Consumer Price Index from Statistics Canada on or prior to October 1, 1973, would be the base for escalation purposes;

b) adjustments will be made quarterly for increases in the Consumer Price Index over the base level mentioned in (a) or the level of the Consumer Price Index for which a previous quarterly adjustment had been made, whichever is greater;

c) cost of living allowance adjustments to rates of pay shall be across-the-board and in percentage terms and based on the percentage increases in the Consumer Price Index over the period concerned. Adjustments shall be in an upward direction only and modification to rates of pay, once earned, shall not be lost if there is a subsequent fall in the Consumer Price Index;

d) only increases in excess of 4% in the Consumer Price Index annually will trigger the application of the cost of living allowance. Increases in excess of 4% on an annualized basis will be matched by an equivalent percentage increase in the rates of pay with a maximum annual increase in rates of pay in respect of the cost of living allowance in any year of the Agreement, of 3%.

Thus, if the base, for purposes of this Agreement is 153.9 (the last index figure released prior to October 1, 1973), a 4% increase in the Consumer Price Index would equal 6.156 index points (1961 = 100) so that the cost of living allowance in this Agreement would not commence to operate until the Consumer Price Index reached 160.056. Thereafter, any increase in the Consumer Price Index over the 160.056 level would increase the rates of pay provisions of the Collective Agreement by the same percentage which such additional increase represented of the base level of 153.9, such adjustment to take place at the first quarter in which any such increase occurred, with an annual limitation of escalation of 3%. To take an example, if the cost of living index rose by July 1st, 1973, to 161.595 (an increase of 5% over the base of 153.9), there would immediately be an increase of 1% in all rates of pay under the CALEA Agreement.

The provision is designed in this manner to operate only when costs of living escalate over and above what have come to be regarded as normal annual rates of increase. However, if inflation continued at the rate experienced between October 1, 1972 and October 1, 1973, the full 3% maximum adjustment would take place. If inflation were held to an annual rate of 6% there would be only a 2% adjustment. The Board is of the view that part of the regular annual increments of 9% and 7% ought to be regarded as covering normal inflation, but that the employees are entitled to be protected against the kinds of unusual inflation experienced in recent months.

Shift Premiums: Add 5¢ per hour to each premium.

Longevity Pay: Increase hourly increment to 4 cents after 10 years service, plus 1¢ for each additional year of service to a maximum premium of 10¢ per hour.

Uniform Costs: 50/50 sharing between the Company and the employees on all items, compulsory or optional.

Cleaning Allowance: Increase to $6.00 per month.

Part-time Employees: Increase maximum usage system-wide under L.1.05.11 from 10% to 15%. Also provide that part-time employees may attend initial basic training course (maximum 4 weeks) up to 8 hours per day.

GDIP: Establish separate plan for CALEA participants on an employee-pay-all basis. The Company will also provide payroll deduction facilities and remittances of appropriate deductions to CALEA. There will be separate underwriting and funding of the revised program with separate policy or policies issued to CALEA by the underwriter of their choice. Air Canada will continue to assist in initial channeling and handling of claims material and providing other administrative co-operation to ensure the effective and smooth operation of the program. Air Canada shall have the right to name one-third of the Board of Trustees, who will be paid by the Company. The joint committee on pensions, mentioned below, will agree within 3 months on the calculation of the amount, if any, of existing plan surpluses to be transferred to the CALEA-sponsored plan.

Pension: The Company will provide full information on actuarial evaluations, costs and funding for CALEA participants only, in the existing pension plan. A joint committee with equal representation from Air Canada and CALEA will be established to evaluate the above data during the first 15 months of the Agreement. The Agreement will be open on and after December 31st, 1974, with full right to strike and lock-out, upon completion of the statutory steps concerning conciliation, but only as regards the question of pensions and the integration of pension plans with other employee benefit plans. It is understood that CALEA shall have the right, at this time, to demand the modification of the existing Air Canada pension plan, the establishment of a separate fund for CALEA participants or the establishment of a separate plan for CALEA participants. The parties may opt to have this dispute submitted to final and binding arbitration. Air Canada will provide, within 90 days of the ratification of the Agreement, a simplified booklet briefly describing the existing pension plan in easily understood lay terms with examples. CALEA participants in the existing Air Canada Pension Plan shall be entitled to receive annually a statement reflecting: (a) required contributions paid (latest year and total); (b) accumulated required employee contributions with interest; (c) same as (a) and (b) above, but for voluntary employee contributions, if any. Air Canada will proceed immediately to complete its data files so as to put itself in a position as soon as possible to provide on the annual statement of benefits the following additional information:

1) monthly pension earned (latest year and total);

2) minimum monthly pension at specified age; and

3) estimated monthly pension at normal retirement.

DATED at Montreal, this 20th day of February, 1974.

(Sgd.) Stanley H. Hartt
Chairman.
I concur — R. W. Gilmore
Member

Report of Douglas M. Fisher

This is the minority report of the union nominee on the board of conciliation which tried to settle the above-named dispute. Essentially, this is a commentary upon the report submitted, Mr. Minister, by the board chairman, Stanley Hartt.

This has been the third board I have been on as CALEA's nominee, and the second one with Mr. Hartt as chairman.

Air Canada has some 20,600 employees, most of whom are grouped in a number of unions. CALEA represent some 2,200 passenger agents of Air Canada. These employees are in the group which has the most dealings with the air carrier's customers — at ticket and baggage counters and through telephone reservations. CALEA is a "white-collar" union, the majority of its members are women. There has been a fair degree of stability in this group and by far the majority of it has had five or more years experience at this work.

CALEA (when the 1965 negotiations broke down) was the first union in Air Canada to mount a legal strike. It only lasted for an hour and a half. Since then this group of CALEA has not gone on strike although twice there were close calls at or around previous conciliation board endeavours. However, it is worth noting that in 1973 the longest strike Air Canada has had — 88 days — involved the Finance employees of Air Canada, represented by CALEA in Winnipeg. This long strike was essentially over a "seniority" clause.

Minority reports from conciliation board members are rarely given the attention that goes to that of the chairman of the board. Their main value, as I see it, is to give you and your senior officials a reading or an interpretation of the issues from the union point of view in the light of the chairman's report. If you decided to take further efforts to reconcile the parties before there is the ultimate economic test of industrial relations what I have to say may be of some use in such interventions.

In the dispute and out of the chairman's report, I see three main contentions: TERM OF AGREEMENT (tied in with pensions); PART-TIME EMPLOYEES; and WAGES.

THE CHAIRMAN — HIS APPROACH AND METHODS

It is always an unusual pleasure working with Mr. Hartt. He is quick, energetic and brilliant. Mr. Hartt was of substantial service to the parties on this board. His patience and persistence on the many conflicts over the non-monetary clauses of the contract was rewarded with the initialing by the parties of most of them.

In the early part of his report Mr. Hartt stresses "the lack of trust in the relationship between the parties." He notes the union's concern over the employer's "flexibility in scheduling the work force" and he underlines the union's fear that Air Canada's "long-term goal is to minimize the size of the passenger agents' bargaining unit. . . to some degree, by the assignment of tasks hitherto performed by passenger agents, to members of other bargaining units or to unorganized personnel." Mr. Hartt goes on to say that Air Canada "admits" that local managers use the text of the collective agreement to plan around the guarantees bargained for by the union at the last negotiations and thus to frustrate the intent of the settlement.

I begin my commentary with this point about distrust and the union's experience, as expressed by Mr. Hartt, in order to point out the single, most outrageous recommendation in his report, the one which I know, intuitively, can send CALEA to the picket lines. I shall come back later to this point — the recommendation that Air Canada be allowed to increase the number of part-time passenger agents from 10 to 15% of this CALEA unit.

THE CHAIRMAN'S KEY PRINCIPLE AND HIS METHODS ON MONEY ISSUES

Mr. Hartt believes strongly and expresses well his belief that a conciliation board has neither the time and resources, and certainly not the wisdom, to judge wage and associated demands and wage offers in terms of social justice or their relationship to either the state of the economy or the sector of the economy concerned or even with the financial position of the corporation concerned. What gives the process reality, as he sees it, is the "economic clout" of the respective parties. A conciliation board must recognize this. It can't play Solomon or the minister of Finance or the Economic Council of Canada. It must try to lever the parties towards a middle-line which neither is likely to be happy about but along which they will settle.

Mr. Hartt goes from this belief and these attitudes towards an activist and pragmatic role for himself with the parties. He drafts possible packages. He works the parties over separately, getting their reactions, finding their positions, determining what may be possible. In sum, it is a useful process to find "where the parties are at", particularly with someone who is both as realistic as Mr. Hartt and as capable of understanding and trading off parts of various packages.

Mr. Hartt did literally magnificent work for seven days of hearings, clearing up with compromises and adjustments and able drafting, clause after clause which was in contention. But the board

only spent two days on the money issues "per se", and the chairman spent most of this with Air Canada negotiators. This may indicate either that he believed they needed the most leverage; or, more kindly, perhaps he felt they needed the most of his persuading because the company has the "economic clout" and the union has not. I outline these details on the method of the board chairman because it may explain why I was flabbergasted on the two of his points: firstly, the recommendation for more part-time employees (this, after days of clearing up clauses and their interpretations which were required because of the scheduling of part-time employees already on the staff); secondly, his recommendation of a two-year term for an agreement.

I have to see the two year terms in the light of two proposals which Mr. Hartt floated to the parties: the one, a short-term 15 months agreement, the other a long-term 36 months agreement. The reason the union preferred the short-term is clear-cut. While it touches on "money", the pension issue which CALEA brought to all stages of this bargaining round, well before the board hearings, is not a major expense item to Air Canada. It was before the last conciliation board. Indeed, Mr. Hartt was the chairman of the board which worked into the last agreement the requirement that the company must provide CALEA with data on the pension and other benefit plans so that its actuarial advisers could determine a union position about reforms of the present pension (a company wide scheme) or separate funding or even separate funding and a separate plan, even a separate investment policy and process for CALEA members only. A short-term enables the union to bring its economic power to bear soon in order to convince the company that it wants the pension plan it thinks its members deserve.

I have sat on many boards as a union nominee. It is from that experience that I could respond to anyone asking me the stock query of "what's up" in this dispute, with this simple litany: "Mainly pensions, partly wages." And that would have been it. . . until Mr. Hartt added the recommendation of more part-timers.

CALEA AND THE PENSION ISSUE

Air Canada expressed the view with regard to CALEA's overtures on benefit matters — the Pension Plan, GDIIP, and Survivors Benefits, that it would be folly to fragment them, particularly the pension plan. The benefit plans are already fragmented: the IAM has opted out of the company dental plan and both CALPA and CALFAA have their own GDIIP. The company recognized this when they agreed at an early stage of the board's hearings to a separate DGIIP for CALEA. Of course, this particular separation could not affect adversely the company's contingent funding obligations as CALEA was to assume the total costs of the plan.

In CALEA's view the company benefit plans, as a generalization, do not meet the needs of the younger employees of Air Canada and particularly those in the lower income groups. For example, the current Survivor's Benefit is an integral part of the Pension plan and the payments, if any, are related to the employee's actual contributions. CALEA proposed an integrated Survivor's Income which could offer the security of a regular income to the remaining spouse and/or children. The concept was rejected without explanation, even though it would not have altered the substance of the company's Pension Plan. The company did propose to revise the Life Insurance Plan, but the effect would be to limit the liability to $40,000.00 It seems clear to me that the company resisted changes to its Benefit Plans, partly to avoid a recognition that some of the areas where this group of employees (and perhaps one or two others) are not adequately or fairly covered, and partly through the effects of a paternalistic attitude, one I sum up in the sentence, "Really, these are complicated matters and we know best."

Let me stress that the Pension Plan is a matter of great concern to CALEA's members. It is worth noting that less than a handful of employees in the CALEA group are now on pension and it will be some years before substantial numbers are eligible for pensioning. The concern has been emerging in the group as members realize some of the consequences of the company-wide arrangements and the integration of the company plan with the CPP-QUEBEC PP. Actuarial studies commissioned by CALEA indicate that the lower income groups in a broad plan (and relatively CALEA is "lower income" compared to the Pilots and the swarms of management personnel in Air Canada) will suffer an increasing deterioration in their pension income as a result of the integration with the CPP/QPP. In addition, the structure of the Company Plan is such that the CALEA group does not benefit to the same extent as higher income employees who receive higher levels of benefits as a result of an indirect and subtle subsidy from the lower income groups.

Originally, CALEA sought separate funding which would confirm the truth of these concerns. The company refused the request because it would disrupt the universality of the Plan. The union suggested complete separation, either immediately or within the term of the next agreement but the company again refused to disrupt its plan. It is here, frankly and bluntly, that the pension issue stands. The prospect of long delay in getting the response it seeks is most aggravating to CALEA. That is why it knows that a short-term agreement is preferable to a long-term agreement or the device recommended by Chairman Hartt (that the pension issue alone be open for negotiations at the end of 1974 in the mid-term of the term of agreement which he recommends).

For one who recognizes the realism of "economic clout" there is an irony in putting forward to the Union Party that it should contemplate the ultimate in its economic sanctions only on the pension issue. Union-management contentions, as this union sees them, should not take place in fairyland.

The company seems determined to preserve the status quo in its Pension Plan. However, they resisted a short-term agreement on the ground that it would simply extend the status quo for a few months. Perhaps management believes that the Union Pension intentions will tend to dissipate if they are left in abeyance for another two years or more. The company also claimed that it could not entertain such discussion within the short span of a conciliation board. It should be noted that throughout the months before the board hearings — i.e. in direct negotiations and at the conciliation officer stage — the company consistently refused to discuss these proposals; if they had, there would have been ample time.

I must recommend a 15 months agreement; i.e., one that ends at the end of 1974. This is the fair way to enable the company and the union to come to the table again late this fall and to settle the pension matter in a context where the union has an overall package to present — that is, some flexibility — and not simply be there to plead for the pension plan it seeks or else it will strike.

THE WAGE PACKAGE

Somewhere in the draft proposals bounced around between the parties in the last two days one item seems to have disappeared that was in all the drafts. Simply, it was an adjustment between the eighth and the last increment. The mystery of its disappearance from the chairman's final recommendations is probably much simpler than any understanding of the Cost of Living Escalator (COLE) he recommended.

His wages proposals are: 9%, fully retroactive to the expiration of the last agreement (October 1, 1973); another 7% increase to rates of pay, effective a year later, i.e., on October 1, 1974. To this would be added his COLE formula. So near as I can comprehend this COLE, it would give CALEA members the possibility of picking up an extra 6% in wage increases in a phase-in way over the two years term, if the cost of living should rise in percentages (not points), 7% in each year. His "certain" percentage increases are not generous, given both the booming inflation of the months since the

previous agreement was signed or given some recent settlements of the last quarter of '73 and the first few months of '74 in which "front-end loads" of 12% are not uncommon.

Because of the paramountcy of the short-term required by the union to follow up intelligently and powerfully on its pension intentions I can see the common sense of not instituting a COLE in the term I recommended, which ends at the end of this year. This point comes on me even more strongly when I contemplate the odd COLE conception recommended by Chairman Hartt.

It seems to me that a fair wage increase for the 15 months term period which I recommend would be 9% as of October 1, 1973 and another 5% as of July 1, 1974. By "fair", I mean between a rough but real image of social justice, need, and the extraordinary inflation of the recent past and the common sense requirements of responsibility and moderation.

The wage settlement proposed in the Chairman's Report is inadequate when viewed against the recent performance of the Consumer Price Index. Two-year agreements signed in the fourth quarter of 1973 showed an average increase of 13.3% for the first year and 10.3% for the second. (Research Bulletin, Wage Developments, Labour Canada, Fourth Quarter 1973). This union is now almost 4½ months beyond the termination date of its last agreement. The employees have not received an increase in wages since August 28, 1972.

In 1969 the parties negotiated a 26-month agreement that increased the maximum weekly rates of pay from $137.99 to $163.68 – an increase of 18.62%. During the life of the preceding agreement (12 months) the cost of living had increased by 4.9%.

Subsequently, in 1971, the parties negotiated the current agreement that carried a duration of 24 months. This agreement increased the maximum weekly rate of pay from $163.68 to $193.34 – an increase of 18.12%. Again, during the life of the preceding agreement (26months) the cost of living increased by only 6.56%.

The wage increases proposed by the board chairman to settle this dispute would, over the life of the agreement, increase the maximum weekly rate of pay from $193.34 to $225.49 – an increase of only 16.62%.

In view of the fact that the cost of living increased by 13.58% during the life of the current agreement (more than twice the amount of the previous comparison) the suggested wage increase is unrealistic. It fails to recognize that the employees would receive substantially less in real terms than what they had two years previously.

This proposed COLE clause of the chairman would have been more acceptable if his proposed wage levels were better. Had such a clause been applied in 1971 at the outset of the present agreement it would have alleviated much of the current financial strain experienced by the CALEA group. However, it does little to correct existing inequities and would, at the most, preclude a reccurrence of a future disparity of such magnitude.

The union wants a short-term agreement. It would not be responsive to a proposal for a long-term agreement without a more realistic wage settlement and a firm commitment from the company for either separate funding or a separate Pension Plan for the CALEA group.

I agree with the chairman's other "money" recommendations on shift premiums, longevity pay, uniform costs and cleaning allowance. However, I also strongly recommend the "missing" part of the "longevity pay" clause. That is, there should be AN ADJUSTMENT IN THE INCREMENT BETWEEN THE 8TH AND 9TH WAGE LEVELS SO AS TO EQUAL THE INCREMENT BETWEEN THE 7TH AND 8TH LEVEL.

CALEA AND THE PART-TIME EMPLOYEE ISSUE

I reiterate my earlier comment about the issue of part-time employees: the chairman has put a "wild card" into any possible settlement short of a strike with his recommendation that the percentage of part-time employees permitted Air Canada in this line of work be jumped from 10% to 15%.

I argue against this recommendation. It is indefensible when one considers the long, acrimonious element that part-time employees have been in the relations between CALEA and Air Canada.

Two preliminary matters of fact should be noted. Firstly, CALEA represents the part-time employees; the latter are members of the union. Secondly, two part-time employees are cheaper for Air Canada than one full-time employee for obvious reasons.

Part-time employees do give Air Canada a greater flexibility in scheduling the work of this unit. Indeed, that is most of the trouble.

CALEA has shown an understandable and consistent concern for the job security of its members. An increase in the use of part-time employees would seriously undermine job security and affect working conditions for full-time members. The recommended 50% increase in part-time employment would destroy the original intent of the Letter of Understanding No. 1 which first recognized and stipulated the manner in which part-time employment would be used.

L1.01 The Company will staff its operation with "full-time" employees whenever a reasonable degree of employee utilization can be achieved. It is recognized, however, that the use of part-time employees may be desirable due to the varying work loads, but such use will be avoided where it is possible to cover the work with full-time employees.

L1.02 When part-time employment is resorted to, care must be taken to avoid deterioration of the working conditions and scheduling of full-time employees.

L1.03 Therefore, the parties to this Agreement agree to cooperate and work harmoniously together to avoid wherever possible added burdens on full-time employees because of lack of training of part-time employees and to avoid imposing any threat to continuous employment of full-time employees.

The union suggested to the board that an increased level of part-time be permitted (20%) but insisted that the ratio be calculated on the basis of location staff levels. The chairman has proposed an increase in the part-time ratio based upon system levels. This would make it possible for the company to concentrate all of the part-time employment in one or two major stations with a resultant decrease in full-time employees. The result could be even more devastating in small stations if part-time employment were introduced in significant numbers. The current tendency to staff in this manner has meant that the full-time employees' security is threatened. Work pressures have increased and working conditions have deteriorated. For the customer, the result is evident in standards of service which remain at a low level.

Most of the CALEA members presently have a work schedule distinguished by a wide variety of shift starting-times and several combinations of "days on" and "days off". Holidays and weekends are irrelevant to air travellers. Like most passenger transportation services the airlines have daily and weekly and seasonal peaks and valleys, all of which tend to make irregular the hours and shifts and the working days of those employees who deal with customers. Inordinate use of part-time employees by the company to match the peak times, particularly of the day, forces the full-time employees further into "bastard" hours and shifts.

RESUME

To recapitulate, I recommend:

1. a 15 months term of agreement;
2. a wage package of 9% (October 1, 1973) and 5% (July 1, 1974);
3. an adjustment in increment between the 8th and 9th wage levels, equal to that between the 7th and 8th levels;

4. no change in the allowable percentage of part-time employees.

Otherwise, I accept the rest of the chairman's report, and I repeat my appreciation for the excellent work he did in improving the language and substance of so much of the contract now initialed by both parties.

(Sgd.) Douglas M. Fisher
Member.

Labour Canada Travail Canada
Ottawa, K1A 0J2

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Reports of Boards of Conciliation...
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CONCILIATION BOARD REPORTS

No. 2, 1974

Conciliation Board Reports in disputes between:

United Airlines Inc., and International Association of Machinists and Aerospace Workers, Canadian Airways, District Lodge No. 764

(1) Northland Shipping (1962) Co. Ltd., Vancouver, and Canadian Brotherhood of Railway, Transport and General Workers; (2) Northland Navigation Co. Ltd., Vancouver, and Seafarers' International Union of Canada

British Yukon Navigation Company Limited, Vancouver, and Canadian Merchant Service Guild



CANADA DEPARTMENT OF LABOUR

Hon. John Munro, Minister

T. M. Eberlee, Deputy Minister

Report of the Conciliation Commissioner appointed to deal with dispute between:

United Airlines Inc.

and

International Association of Machinists and Aerospace Workers, Canadian Airways, District Lodge No. 764

The Conciliation Commissioner appointed by the Minister of Labour to deal with this dispute was Mr. Hugh G. Ladner of Vancouver, B.C. His report was received by the Minister in May.

By appointment dated March 27th, 1974 I was appointed Conciliation Commissioner in this dispute pursuant to the provisions of Section 166(a) of the Canada Labour Code.

Pursuant to my appointment I met with the parties on the 8th and 9th days of April, 1974 at the City of Vancouver, Province of British Columbia. By Certificate issued September 26th, 1973 the Union was certified as bargaining agent for a unit of employees of which there are now about 36 in number. The parties are now negotiating their first collective agreement.

I was unable to bring about a resolution of the dispute between the parties and I now therefore make my recommendations pursuant to Section 168(1) of the Canada Labour Code.

Essentially all issues were in dispute when this matter came to me and to all intents and purposes all issues remain in dispute. However the parties have done a great deal of work in an attempt to settle upon a satisfactory text for a collective agreement and had arrived at a text which, although not acceptable in its entirety to either party, and quite unacceptable in some respects to the Union, was ultimately used as a basis for negotiations. A copy of that text is attached hereto as Schedule A.

Although Schedule A uses language which I would not in many respects otherwise recommend, and subject to the qualifications hereinafter set forth, I recommend that it be used as the basis for the first collective agreement between the parties because it was arrived at as a result of negotiations and its language is familiar to the parties.

The following constitute the changes that I recommend to Schedule A using as headings the descriptions used by the parties.

1. *Wage Rules:* It became clear during the course of my discussions with the parties that the basic issues between the parties were rates of pay and hours of service. With respect to these two issues the Company presented a firm position.

The Company is a large American domestic airline whose only scheduled flights beyond the continental United States are to Hawaii, Vancouver and Toronto. It has a large number of employees in various locations throughout the continental United States and Hawaii and Vancouver (a large part, if not all of its Toronto operation being contracted out). It has traditionally, with only one exception, been unwilling to take local economic circumstances into account in determining the rates of pay for any of its employees, and all of its employees in the same classification and with the same term of service, with the one exception noted, are paid at the same rate except that merit is taken into account to some degree. The one exception is in the State of Hawaii where the Company's employees are paid at a substantially higher rate than its employees elsewhere. I understand that exception to be one of some long time standing which seems to have gained some traditional significance with the Company, but it is not prepared to make any further exceptions.

The Company's approach is perhaps understandable when bargaining with a union representing employees in many locations, and problems of regional disparity can raise great problems in collective bargaining.

However it seems to me that that is not the case here. In this case the Company is negotiating with a union representing a relatively small group of employees all in one location. That location happens to be the one location in which it bargains with employees beyond the United States of America and where economic and other circumstances may be most significantly different than the circumstances prevailing in any other place the Company may happen to be bargaining.

It is my opinion that the Company ought to be prepared to bargain with the Union on a basis that would take local circumstances into account. If this unit of employees in Vancouver and at the Vancouver International Airport must then be regarded as an exception by the Company, then it seems to me that there is very good argument for considering them as such — an even better argument than that which leads it to deal with its employees in Hawaii as an exception.

The Company is naturally concerned that any deviation in what it agrees to pay its employees in Vancouver from that which it agrees to pay elsewhere will be regarded elsewhere as a precedent and set a bargaining pattern that the Company considers to be unpalatable. However it seems to me that the danger is slight in that the employees represented by the Union in this dispute are relatively small in number and it is the only group of employees beyond the United States of America.

Therefore, in my recommendations, I have taken local circumstances into account. I have also taken into account what the Company paid its unorganized employees in similar classifications, both this year and last, what is paid by other airline companies in Canada to both organized and unorganized employees with the same or similar duties and qualifications, as well as the increased cost of living. I have also taken into account that I am effectively recommending a 40-hour week, rather than the 37½ hour week sought by the Union, by making no recommendation regarding the Hours of Work provision in Schedule A.

While it seems to me that the Company must take local circumstances into account, it also seems to me that the Union must be content with something less than what might otherwise be considered adequate for the sake of gaining this first agreement which, of necessity, removes any element of merit from wage progressions and otherwise significantly alters those progressions.

The Union sought the following rates of pay:

(A) Customer Service Agent:	
First 26 weeks	$882.45
Second 26 weeks	$937.95
Third 26 weeks	$994.45
Fourth 26 weeks	$1,048.95
Fifth 26 weeks	$1,104.45
Sixth 26 weeks	$1,159.95

(B) Ticket Sales Agent:	
First 26 weeks	$771.45
Second 26 weeks	$882.45
Third 26 weeks	$994.45
Fourth 26 weeks	$1,048.95

Until my last meeting with them, the Company representatives had adamantly insisted upon progressions over the first ten years of service so that no employee would reach his maximum salary level until he had been in the Company's service for ten years. For a Customer Service Agent the bottom rate was $795.00 and the top rate was $965.00, and for a Ticket Sales Agent the bottom rate was $692.00 to a maximum of $898.00. However in my last meeting with the Company representatives they made a proposal as follows:

(A) Customer Service Agent:	
First 6 months of service in classification	$805.00
Second 6 months of service in classification	$842.00
Second year of service in classification	$878.00
Third year of service in classification	$915.00
Fourth year of service in classification	$952.00
Fifth year of service in classification	$998.00
Sixth year of service in classification and thereafter	$1,025.00
(B) Ticket Sales Agent:	
First 6 months of service in classification	$700.00
Second 6 months of service in classification	$743.00
Second year of service in classification	$787.00
Third year of service in classification	$830.00
Fourth year of service in classification	$873.00
Fifth year of service in classification	$917.00
Sixth year of service in classification and thereafter	$960.00

I recommend that the rates of pay, differentials and wage rules be as set out in Schedule B attached hereto and that it be substituted for the page entitled "Wage Rules" in Schedule A.

By my calculations the recommended rates of pay result in a range of increases for employees covered by the agreement of from 5.91% to 16.97% over the existing rates of pay. A spread such as this is unavoidable if the progression intervals are to be altered from what now exists. A similar spread would exist if either the Union's proposal or the Company's proposal were adopted.

By my calculations again, the recommended rates of pay, aside from differentials, will result in a net increase of total salaries paid by the Company to the employees covered by the agreement of 10.92%.

It is further recommended that the agreement become effective January 1st, 1974 and be of one year duration and the page in Schedule A entitled "Effective Date and Duration" should be amended accordingly.

2. *Union Security:* The Union sought a compulsory check off provision. The Company is philosophically opposed to any union shop provision or compulsory check off.

It is my recommendation that a Rand Formula provision similar to that in the collective agreement between Air Canada and the International Association of Machinists and Aerospace Workers, District Lodge 148 for the term 1973-1975 and entitled "Check-off of the Union dues" be incorporated as a provision of the collective agreement between the parties and that the pages in Schedule A entitled "Dues check-off" be amended accordingly.

3. *Management Performing Work:* The Union has expressed concern about management personnel performing work normally performed by its members and proposes a provision contained as paragraph 46 in Article 7 of Agreement No. 20 between Canadian Pacific Airlines Limited and the International Association of Machinists and Aerospace Workers, District Lodge No. 764.

I recommend that the following provision be incorporated as Item C in Schedule A under the heading "Classifications of Work":

> "C. Unless not otherwise reasonably possible, management personnel shall not engage in or be utilized in any way which may be construed as performing work which is normally performed by personnel covered by this Agreement."

4. *Adequate Supervision:* The Union is concerned about the Company providing adequate supervision for the employees covered by the Agreement and proposes a provision similar to Letter of Understanding #1 contained in Agreement No. 20 between Canadian Pacific Airlines Limited and the International Association of Machinists and Aerospace Workers, District Lodge No. 764.

The Company's position is that such a provision is inappropriate in a collective agreement.

Such matters usually only become the subject matter of the collective bargaining process when there has been a problem of long duration which has, for one reason and another, not been thoroughly discussed outside of the collective bargaining process.

I make no recommendation concerning this issue except that the parties should discuss it further during the life of the Agreement now being negotiated.

5. *Starting and Stopping Times:* The Union raised this issue seeking to limit the Company's flexibility with respect to starting times and also suggested a ratio pertaining to days off.

I make no recommendation with respect to this issue except as is contained above under the heading of "Wage Rules".

6. *Fringe Benefits:* The Union seeks to have its members' existing fringe benefits incorporated into the collective agreement.

The Company is prepared to go no further than to enter into a Letter of Understanding in the form attached hereto as Schedule C.

The Company's fringe benefit package for its unorganized employees is non-contributory and is a generous one, and therefore the Company is not prepared to do anything that would place its control over the fringe benefit package in jeopardy. This position is understandable although, from the Union's point of view, it introduces an element of uncertainty that they wish to avoid because there is no limit to how arbitrary the Company may be in the reduction or termination of any element of the fringe benefit package.

The Company has agreed elsewhere with the Union in its Mechanics Agreement that it will advise the Union and allow it to confer with the Company before substantially changing or discontinuing any fringe benefit, and has indicated its willingness to consider entering into a similar term in this agreement.

It is my recommendation that Schedule A be amended to incorporate the following provision;

> "The Company agrees that the employees covered by this Agreement may continue to participate in the group life insurance, accident, sickness (now covered by M.S.A.) and dental insurance, and retirement income plans which are afforded to the non-Union, non-management employees of the Company and will not substantially change or discontinue such plans during the term of this agreement without first informing the Union of the reason therefor and giving the Union an opportunity to discuss the matter with the Company, but in any event will make no substantial change or discontinue a plan without first giving the Union 60 days' notice in writing."

DATED at the City of Vancouver, in the Province of British Columbia, this 16th day of April, A.D. 1974.

Sgd. H. G. Ladner
Conciliation Commissioner

SCHEDULE A

PREAMBLE

This Agreement is made and entered into in accordance with the provisions of the Canada Labour Code Part V, as amended, by and between United Air Lines, Incorporated, hereinafter referred to as the "Company," and the International Association of Machinists and Aerospace Workers, Canadian Airways Lodge No. 764, hereinafter referred to as the "Union."

The purpose of this Agreement is, in the mutual interest of the Company and of the employees, to provide for the operation of the services of the Company under methods which will further to the fullest extent possible the safety of air transportation, the efficiency of operation, and the continuation of employment under conditions of reasonable hours, proper compensation, and reasonable working conditions. It is recognized by this Agreement to be the duty of the Company and of the employees to cooperate fully, both individually and collectively, for the advancement of that purpose.

No employee covered by this Agreement will be interfered with, restrained, coerced, or discriminated against by the Company, its officers or agents because of membership in, or lawful activity on behalf of the Union.

There shall be no discrimination between employees covered by this Agreement because of age, sex, race, creed, color, or national origin.

The Company's general policy, operating, and other applicable regulations shall be available to all employees. Employees covered by this Agreement shall be governed by such regulations and by all applicable rules, regulations and orders issued by properly designated authorities of the Company not in conflict with the terms of this Agreement.

RECOGNITION

The International Association of Machinists and Aerospace Workers, having been certified on the 26th day of September, 1973, by the Canada Labour Relations Board as the bargaining agent for a group of employees of United Air Lines, Inc., as described in such certification, working at Vancouver, B. C. and at the Vancouver International Airport, is hereby recognized by the Company as the sole and exclusive bargaining agent for such employees in accordance with the provisions of Part V of the Canada Labour Code.

CLASSIFICATIONS OF WORK

A. Ticket Sales Agent

Performs general ticketing duties including, but not limited to duties involving the sale of air transportation at Company ticket offices or other locations as assigned. Provides information regarding fares, schedules, routings and services, determining and recommending service(s) to meet customers' needs. Makes reservations, prepares reports, and weighs and tags baggage. Performs other duties as assigned.

B. Customer Services Agent

Performs general customer contact duties including, but not limited to, duties involving schedule and fare information, ticketing, check-in, airplane boarding, service irregularities and minor claim settlements, as well as general customer contact and other duties involved in the processing and handling of air freight and other forms of cargo. Performs aircraft servicing and dispatching, and building and equipment maintenance. Loads and unloads trucks, carts, or aircraft. Performs other duties as assigned.

HOURS OF SERVICE

A. Eight (8) consecutive hours of service, exclusive of meal period, will constitute a work shift for full time employees except that eight (8) consecutive hours of service, inclusive of meal period, will constitute a night shift.

B. Except when the needs of the service provide otherwise, the standard work week for full time employees will consist of five (5) eight (8) hour days worked in each calendar week. Scheduled days off will be consecutive, provided that employees who are regularly scheduled to have Sunday and Saturday off in each calendar week will be considered as having consecutive days off.

C. All employees covered by this Agreement shall be granted a ten (10) minute rest period during the first half of a work shift and a ten (10) minute rest period during the second half of a work shift without loss of time. Such rest periods will be regularly scheduled to the extent practicable, consistent with the requirements of the service.

D. Work schedules will be rearranged as required by the needs of the service, provided that a rebid of work schedules will be conducted at least once in each calendar year in order to update employees' preferences.

E. For continuous service after regular working hours, employees will not be required to work more than two (2) hours without being permitted a paid meal period of one-half (1/2) hour and such meal period shall be considered as time worked for the purpose of computing overtime.

OVERTIME AND HOLIDAYS

A. Overtime rate, for full time employees, of time and one-half computed on an actual minute or one one-hundredth (1/100) of an hour basis with a minimum of one (1) hour overtime shall be paid for the first four (4) hours of work in excess of eight (8) hours on any regular work day and for the first eight (8) hours of work performed on a regularly scheduled day off.

B. Overtime rate, for full time employees, of double time computed on an actual minute or one one-hundredth (1/100) of an hour basis shall be paid for all work in excess of twelve (12) hours worked in a twenty-four (24) hour period (except when an employee, after bidding, voluntarily changes shifts), for all hours worked on a regularly scheduled day off in a calendar week if any time was worked on the next preceding regularly scheduled day off in that calendar week, and for work performed in excess of eight (8) hours on any regularly scheduled day off, except that if employees are regularly scheduled to have Saturday and Sunday as their consecutive days off, and if a Saturday and Sunday falling together are both worked, the first day will call for time and one-half for the first eight (8) hours and double time thereafter, and the second day for double time for all hours worked.

C. Part time employees shall be paid at straight time rates for all work performed except that to the extent work is performed in excess of eight (8) straight time hours in any continuous twenty-four (24) hour period, or forty (40) straight time hours in any calendar week, they will be paid at the applicable overtime rate on the same basis as full time employees.

D. For purposes of overtime compensation for full time employees, the twenty-four (24) hour period shall begin with the starting time of the employee's regular assigned shift.

E. When a full time employee covered by this Agreement has been relieved for the day and is recalled to work, the employee will be paid not less than three (3) hours at the overtime rate applicable. When such an employee is called to work on the employee's scheduled day off, the employee will be paid not less than four (4) hours at the applicable overtime rate and may be required to work four (4) hours.

F. No overtime shall be worked except by direction of the proper supervisory personnel of the Company except in cases of emergency where proper prior authority cannot be obtained.

G. There shall be no pyramiding of overtime rates provided for in this Agreement and no employee shall receive more than double the straight time rate for any hours worked except as otherwise provided in Paragraphs I, J, and K below.

H. Employees covered by this Agreement will observe the following holidays: New Year's Day, Good Friday, Victoria Day, Dominion Day, Labour Day, Thanksgiving Day, Remembrance Day, Christmas, and the Employee's Birthday. These holidays will be observed on the calendar date of occurrence, except that in the event an employee's birthday falls on one of the other listed holidays or on his regularly scheduled day off, the employee may, with proper approval of the Company, observe either the last preceding or next following scheduled work day as the birthday holiday. In the event an employee was born on February 29, March 1 of each year shall be considered the birthday for purposes of this Paragraph.

I. All full time employees, whether required or not required to work on the above-mentioned holidays, will receive compensation for the day for the eight (8) hours at straight time rate, including any applicable shift differential, and shall receive no additional time off. In addition, full time employees who are required to work on one of those holidays will receive additional compensation for the day at the rate of one and one-half (1-1/2) times the straight time rate, including any applicable shift differential, for all hours worked. Time worked in excess of eight (8) hours on a holiday will be compensated at the rate of double time and one-half.

J. A part time employee who is not required to work on a holiday which falls on a scheduled work day shall receive holiday pay for the number of hours the employee was scheduled to work. When the holiday falls on the employee's scheduled day off and the employee does not work, the employee shall receive holiday pay for the same proportion of eight (8) hours that his or her regular scheduled work week is to a forty (40) hour week. In addition, if a part time employee works on a holiday, the employee shall be paid at the rate of one and one-half (1-1/2) times the straight time rate, including any applicable shift differential, for all hours worked.

K. Temporary employees will not receive holiday compensation for time not worked. Temporary employees working on a holiday will be paid at the rate of one and one-half (1-1/2) times the straight time rate for all hours worked on a holiday.

L. When the Company anticipates the requirement of its operation will allow a reduced work force on a holiday, employees to be reduced shall be notified seven (7) calendar days in advance of the holiday, provided that notice of adjustments in planned holiday coverage required by the needs of the service will be made by the end of the employee's last shift worked prior to the holiday.

M. Overtime opportunities will be distributed as equitably as practicable among available, qualified employees.

SENIORITY

A. Seniority of employees under this Agreement shall be by work classification and shall accrue from the date of entering the classification. The work classifications to be recognized for seniority purposes shall consist of Customer Service Agents and Ticket Sales Agents.

1. Except as otherwise provided, classification seniority will begin the first day actually worked in the classification except that the classification seniority date of a Company employee shall be established as the date the employee is notified that he or she is awarded an open vacancy. The probationary period and pay in the new classification for such employees, however, will begin with the first day actually worked in the new classification, except that employees who transfer to a classification covered by this Agreement from a similar Agent classification not covered by this Agreement shall not be required to undergo a new probationary period under this Agreement.

B. Seniority plus the ability to satisfactorily perform the work required for the job in question shall govern all employees covered by this Agreement in preference of work schedules, in case of layoff, and in reemployment after layoff.

C. Seniority lists by classification showing the name, classification seniority date, and the date of entering the Company's service of each employee covered by this Agreement shall be posted in a convenient place April 1 each year and a copy furnished to the designated Local Union representative and the Union System Chairman. When two (2) or more employees covered by this Agreement are tied in classification seniority, the employee with the greater service with the Company will be considered senior. Ties not broken by this means will be broken by giving preference to the older (based on birth date) employee. This procedure will not be used to disrupt the established relationship of employees already appearing on the seniority list agreed to by the Letter of Agreement between the Company and the Union dated Seniority lists shall be amended each April 1 thereafter to incorporate changes and additions, and shall be subject to correction upon protest of any omission or incorrect listing if protest is filed under the procedures of Article within thirty (30) days of posting and delivery of said list to the Union; provided, however, that if no such protest is filed within thirty (30) days from the time the first list is posted and delivered to the designated Union representative or within thirty (30) days from the time an employee's name first appears on a list posted and given to the Union representative, the seniority date and Company service dates on such list shall be deemed correct and shall be subject to change only by agreement between the Union and the Company, except as such adjustment is necessary because of transfer to or from part-time status or adjusting seniority as otherwise provided in this Agreement, and any such agreed-upon change shall have no retroactive application.

D. Except as provided below in this Paragraph, regular part-time employees will accrue seniority on a prorated basis for the purposes of part-time work schedules, layoff, recall after layoff, and for preference among other part-time employees for transfer to full-time status. When necessary to determine an employee's seniority for such purpose(s), the employee will be credited with one day's seniority for every two days of regular part-time service in the classification regardless of the number of hours actually worked as a part-time employee. When necessary to do so, an employee's seniority date and company service date will be adjusted in accordance with this formula. A full-time employee who has been laid off with right of recall to his or her full-time classification, and who has

exercised seniority to displace a regular part-time employee as provided under the layoff procedures of this Agreement, shall, notwithstanding the foregoing, be entitled to retain and accrue seniority as a full-time employee for the duration of the period he or she is entitled to recall to full-time status. Thereafter his or her seniority will be adjusted to that of a regular part-time employee.

E. Temporary employees will not accrue seniority, nor shall they be employed in any one continuous period in excess of six (6) months.

F. In the event a temporary employee is made a permanent employee, his or her original date of service with the Company will become his or her classification seniority date and all time worked since date of hire will be counted toward his or her probationary period.

G. Any employee of the Company who accepts a transfer to any classification covered by this Agreement shall be permitted a trial period of ninety (90) working days in order to prove his or her ability to perform the work of the classification. In the event the employee does not satisfactorily complete the trial period, the employee may, in the event he or she was transferred to the classification from a lower-rated classification covered by this Agreement, be returned to his or her former classification, if a vacancy exists, with no loss of seniority in the former classification.

H. An employee who transfers from a classification covered by this Agreement to a non-management position not covered by this Agreement shall retain and continue to accrue seniority in the classification from which transferred for a period of six (6) months, after which he or she will be stricken from the seniority list.

I. Employees who are promoted to management positions from classifications covered by this Agreement will retain and continue to accrue seniority in the classification from which promoted.

J. All new employees shall be regarded as probationary employees for the first one hundred eighty (180) regular working days of such employment. Employees may be separated from the Company at any time during such probationary periods without recourse to the grievance procedure. If retained in the service of the Company after the probationary period, the names of such employees shall then be placed on the seniority list for their respective classification in order of the date of their original hiring.

K. An employee covered by this Agreement shall lose seniority status and the employee's name shall be removed from the seniority list under the following conditions:

1. he or she quits or resigns;
2. he or she retires;
3. he or she is discharged for cause;
4. he or she does not inform the Company in writing or by telegraph of his or her intention to return to service within seven (7) days of sending of notice offering reemployment;
5. he or she does not return to service of the Company on or before a date specified in the notice from the Company offering reemployment, which date shall not be prior to fifteen (15) days after sending such notice, provided, however, that subdivisions 4 and 5 of this Section shall not apply to offers of temporary work;
6. he or she is not reemployed within two (2) years of layoff.

L. All notices required to be sent under Paragraph K above shall be sent by Certified Mail, Return Receipt Requested, or by telegraph to the employee at the last address he or she filed with the Regional Personnel Department; provided, however, that there shall be no duty on the part of the Company to send a notice to a laid-off employee unless said employee shall, when laid off, file his or her address with the Regional Personnel Department of the Company and shall thereafter promptly advise the Regional Personnel Department of any changes in address.

M. Employees who have given long and faithful service in the employ of the Company and who have become unable to handle heavy work to advantage shall be given preference for such other available work as they are able to handle within their classification at the rate of pay for the job to which they are assigned.

LETTER OF AGREEMENT

between

UNITED AIR LINES, INC.

and

INTERNATIONAL ASSOCIATION OF MACHINISTS and AEROSPACE WORKERS

WHEREAS, United Air Lines, Inc. (hereinafter referred to as the "Company") and the International Association of Machinists and Aerospace Workers (hereinafter referred to as the "Union") wish to record their agreement relating to the construction of an initial Seniority List for each classification of employees covered by the Vancouver Agents' Agreement (hereinafter referred to as the "Agreement").

NOW, THEREFORE, it is hereby mutually agreed as follows:

1. There will be a separate seniority list for the Customer Services Agents and the Ticket Sales Agents covered by the Agreement.
2. Regular part time employees on each seniority list will be identified with an asterisk.
3. All employees in supervisory or other management positions at Vancouver on 19 who were promoted from classifications (or predecessor classifications) covered by this Agreement shall be placed on the seniority list of the classification from which promoted and will retain and continue to accrue seniority in such classification.
4. Any future additions or deletions to the lists shown below will be made in accordance with the seniority provisions of the Agreement.
5. For the purpose of constructing each initial seniority list, each employee placed on the list shall be credited with a classification seniority date equal to his or her date of entry into the service of the Company.
6. Below are the agreed to initial seniority lists:

VANCOUVER CUSTOMER SERVICE AGENTS LIST

Employee	Status	Company Service	Classification Seniority
Hayward, E.J.		10/10/44	10/10/44
Gauthier, W.O.		7/8/46	7/8/46
Jervis, T.F.		7/22/46	7/22/46
MacDonald, D.R.		6/1/48	6/1/48
Titerle, J.D.	Promoted	2/4/52	2/4/52
Jones, A.C.		4/16/53	4/16/53
Carroll, D.B.		6/1/53	6/1/53
Ellison, T.		12/1/53	12/1/53
Irvine, J.E.		1/11/54	1/11/54
Marshall, J.H.	Promoted	4/14/54	4/14/54
Deane, T.W.		7/26/54	7/26/54
Nicolle, B.D.		3/24/55	3/24/55
Forsyth, R.L.		4/4/55	4/4/55
China, F.G.	Promoted	4/27/56	4/27/56
Wells, W.H.	Promoted	5/1/56	5/1/56
MacLean, R.N.		12/17/56	12/17/56
Cook, G.P.		8/31/57	8/31/57
Ransom, M.L.		5/13/58	5/13/58
Phipps, D.B.		7/29/61	7/29/61
Bougie, E.J.		9/22/61	9/22/61
Varodi, O.		4/16/62	4/16/62
Moor, R.W.	Promoted	7/2/63	7/2/63
Neff, R.D.		9/8/63	9/8/63
Brocklehurst, A.M.		3/25/64	3/25/64
Wong, S.H.		3/1/66	3/1/66
McLean, L.G.		4/11/66	4/11/66
Baker, E.J.		4/24/66	4/24/66
Barnes, D.H.		5/1/66	5/1/66
Hynes, P.R.		3/27/67	3/27/67
Smith, S.H.		8/16/67	8/16/67
Davidson, R.D.		9/16/67	9/16/67
Meier, R.J.		6/24/72	6/24/72
*McGregor, W.F.		9/6/72	9/6/72
Storey, B.W.		9/15/72	9/15/72
Nott, G.J.		9/24/72	9/24/72
Burgess, E.A.		6/13/73	6/13/73

VANCOUVER TICKET SALES AGENTS LIST

Employee	Status	Company Service	Classification Seniority
Curran, J.M.		2/6/56	2/6/56
Nielson, F.		11/10/69	11/10/69

IN WITNESS WHEREOF, the parties have signed this Letter of Agreement this day of , 197

REDUCTION IN FORCE AND RECALL

A. When it becomes necessary to lay off employees in a classification covered by this Agreement, seniority will govern provided the employee is qualified for the job in question. When employees in a classification are to be laid off because of a reduction in force:

1. If the full time complement is to be reduced, the junior full time employee to be reduced may, but shall not be required to, displace the junior part time employee in the same classification if his or her seniority is greater than the adjusted seniority of the part time employee would be. If the employee does not so displace, he or she will be placed on laid-off status.

2. If the part time complement is to be reduced, the junior part time employee assigned to the work schedule to be reduced will be accorded the following options:

   a. He or she may displace the junior part time employee in the classification and assume the work schedule of the displaced employee.

   b. He or she may have his or her seniority adjusted to full time on a prorated basis, and, if the adjusted seniority is greater than that of the junior full time employee, he or she may displace the junior full time employee.

   c. He or she may be placed on laid-off status as a part time employee with right of recall.

3. If the full time and part time complements are both to be reduced, those part time employees who may be affected will have their classification seniority considered as though it were adjusted to full time, on a prorated basis, and both part time and full time employees may exercise seniority as provided in subparagraphs 1 and 2 above, to the extent that the part time and full time complements are reduced to the necessary levels. Employees who are so displaced will be placed on laid-off status.

4. Temporary part time employees will be separated before any regular part time employee covered by this Agreement is laid off, and temporary full time employees will be separated before any regular full time employee covered by this Agreement is laid off.

5. An employee who transfers from a lower classification covered by this Agreement to a higher classification covered by this Agreement and is then laid off before completing ninety (90) working days in the higher classification, shall be returned to the lower classification.

D. 1. An employee covered by this Agreement who has completed one (1) year of compensated service with the Company immediately prior to being laid off, through no fault or action of his or her own, shall receive severance pay as provided in this Article, subject to the limitations and conditions set forth herein, but shall receive no severance pay if any one or more of the following conditions exist:

   a. He or she exercises his or her seniority under this Agreement in order to remain in the employ of the Company.

   b. He or she accepts any other employment with the Company or refuses to accept a job in his or her own or comparable work classification under this Agreement.

   c. He or she is a part time or a temporary employee, unless he or she is a regular part time employee who previously had been involuntarily reclassified from full time status.

   d. The layoff is caused by an Act of God, a war emergency, revocation of the Company's Operating Certificate or Certificates, or grounding of a substantial number of Company aircraft.

   e. The layoff is caused by a strike or picketing of the Company's premises or any work stoppage or other action which would interrupt or interfere with any operations of the Company.

f. He or she is dismissed for cause, resigns, reaches normal retirement age, or retires.

g. There is a temporary cessation of work because of circumstances beyond the Company's control

2. An employee unable to retain employment as a result of a merger shall be entitled to severance pay as provided in this Article less any severance, dismissal, or other allowances for loss of employment to which he or she may be entitled under applicable labor protective conditions.

E. The amount of severance pay due under this Article shall be based on the length of total actual straight time compensated service with the Company since the employee's last date of hire with the Company (Company seniority date), and shall be computed on the basis of the employee's regular straight time basic rate at time of layoff, exclusive of overtime, shift differential and other such premium payments, as follows:

If Employee Has Completed	Severance Allowance
Less than 1 year of service	None
1 year but less than 2 years of service	2 weeks
2 years but less than 3 years of service	2 weeks
3 years but less than 4 years of service	3 weeks
4 years but less than 5 years of service	4 weeks
5 years but less than 6 years of service	5 weeks
6 years but less than 7 years of service	6 weeks
7 years but less than 8 years of service	7 weeks
8 years but less than 9 years of service	8 weeks
9 years but less than 10 years of service	9 weeks
10 years or more of service	10 weeks

F. An employee shall begin receiving severance pay at the time of layoff and such severance pay shall be the equivalent of normal straight-time earnings, as described in Paragraph E above, at regular pay periods and continue until all such pay credit is used. Severance pay shall not be due after the offer of recall to any such employee by the Company or if the employee accepts other employment with the Company, or retires.

G. An employee returning to the service of the Company after being on layoff who is again laid off under conditions entitling him or her to severance allowance shall be entitled to an amount computed on his or her years of compensated service with the Company after the date of such return to the Company's service. If for any reason an employee did not use all of the severance allowance to which he or she may have been entitled, and who is again laid off under conditions entitling severance allowance, the employee shall be entitled to an amount computed on his or her years of compensated service with the Company after the date of such return to the Company's service, plus any previously unused severance allowance, if any.

H. For purposes of Paragraphs C and D of this Article, a period of layoff shall not be deemed to be broken by the duration of any temporary reemployment with the Company which does not exceed a continuous period of thirty (30) days, and severance pay shall not be paid twice for the same period of compensated service.

LEAVE OF ABSENCE

A. Where a justifiable reason exists and the requirements of the service permit, any nonprobationary employee covered by this Agreement may, upon proper application to the Company, be granted a leave of absence for a period not in excess of ninety (90) days. Upon prior request, and subject to Company and Union approval, such leave of absence may be extended for additional periods not to exceed ninety (90) days each. Requests for leave of absence or extensions thereof and approvals by the Company and Union shall be in writing. Any employee granted a leave of absence shall retain and continue to accrue seniority during the first ninety (90) days of such leave of absence. For leaves of absence in excess of ninety (90) days, the employee shall retain but shall not accrue seniority after ninety (90) days except when the leave of absence has been granted because of pregnancy or military leave, in which case seniority shall accrue during the entire period of the leave of absence.

B. A military leave of absence shall be granted in accordance with the provisions of the applicable law and regulations thereunder.

C. Employees granted a leave of absence because of pregnancy will have such leave approved for a period not to exceed ninety (90) days following the termination of pregnancy, unless extended by the Company for medical reasons. Upon return from such approved pregnancy leave, the employee shall be returned to the position held when the leave commenced provided that such employee's seniority will entitle her to hold such position. Notwithstanding Paragraph A above, a probationary employee may be granted pregnancy leave, and, upon return to work, must satisfactorily complete the probationary period.

D. An employee returning from leave of absence may be required to successfully pass a physical examination prior to return to work.

E. An employee granted a leave of absence for reasons other than military leave or pregnancy shall, when the Company permits, be returned to the position held when the leave commenced provided such employee's seniority will entitle him to hold such position.

F. An employee who engages in gainful employment for someone other than the Company while on leave of absence without prior written permission from the Company shall be deemed to have resigned from the Company's service and that employee's name will be stricken from the seniority list.

G. An employee applying for an educational leave of absence must specify the entire period of time he plans to remain on such leave in order to obtain the desired education, and, if the leave is granted, he shall have no right to reemployment until the entire educational leave specified has elapsed. Such employee will not be required to apply for and receive extensions at ninety (90) day intervals during leave as will other employees granted leaves of absence.

Mr. Anthony C. Steele
System General Chairman
Canadian Airways Lodge No. 764
International Association of
Machinists & Aerospace Workers
Room 202
363 No. 3 Road
Richmond, B.C. V6X 2B9

Dear Mr. Steele:

This will confirm statements made to you by representatives of United Air Lines, Inc. in the negotiations leading to the 1974 Agreement covering Agents and Related Employees in Vancouver.

You were advised that an employee accepting full time employment with the Union to serve as a representative of the employees covered by this Agreement, specifically as a full time representative of Canadian Airways Lodge No. 764, IAMAW, would be granted an indefinite leave of absence by the Company, provided that not more than one (1) employee at a time will be granted such leave. An employee on leave of absence for this purpose shall retain and continue to accrue seniority and shall have all employee benefits that can reasonably be continued in effect during his leave of absence.

Sincerely,

Clark E. Luther
Vice President
System Personnel

VACATIONS

A. The calendar year will be used for computing vacation allowances. Employees covered by this Agreement will be granted vacation allowance in accordance with the Canada Labour Code, Part III, as amended in 1971. Said allowance will be administered pursuant to the Canada Labour Standards Regulations dated January 13, 1972, and any subsequent revisions thereto.

B. In addition to the allowance referred to in Paragraph A above, commencing in the calendar year following the completion of five (5) years of continuous service, an employee's vacation shall consist of three (3) weeks—fifteen (15) working days with one hundred twenty (120) hours pay at the employee's regular rate. Commencing with the calendar year following the completion of fifteen (15) years of continuous service, an employee's vacation shall consist of four (4) weeks—twenty (20) working days with one hundred sixty (160) hours pay at the employee's regular rate. Commencing in the calendar year following the completion of twenty (20) years of continuous service, an employee's vacation shall consist of five (5) weeks—twenty-five (25) working days with two hundred (200) hours pay at the employee's regular rate. Commencing in the calendar year following the completion of twenty-five (25) years of continuous service, an employee's vacation shall consist of six (6) weeks—thirty (30) working days with two hundred forty (240) hours pay at the employee's regular rate.

C. An employee on leave of absence in excess of thirty (30) calendar days shall have his vacation and vacation pay reduced by one-twelfth (1/12) for each month or part thereof the employee is on leave of absence in excess of thirty (30) days.

D. Subject to the needs of the service, employees covered by this Agreement will be permitted to select their vacation in accordance with Company seniority. When vacation schedules have been established, senior employees will not be permitted to take the vacation period already assigned to a junior employee.

E. Holidays recognized by this agreement at the beginning or end of a vacation period will not be considered as part of the vacation. Holidays falling within a vacation period will be taken by extending the vacation period one (1) day for each such holiday.

SICK LEAVE

Occupational illness or injury. The provisions of Paragraph E of this Article will apply to Workmen's Compensation Benefits paid to an employee while receiving occupational illness or injury leave.

E. When it is necessary for an employee to be absent from work because of occupational injury or illness, the employee must request payment for occupational illness or injury leave in writing not later than the pay period following the employee's return to service, on a form provided by the Company. A doctor's certificate may be required before granting pay for this purpose. In the event the employee receives Workmen's Compensation Benefits because of such absence, the employee shall turn over such compensation to the Company and shall have his or her sick leave or occupational illness or injury credit used in connection with such injury or illness restored to the extent that the compensation offsets the pay granted; provided, however, that such credits will be restored only in units of one-half (½) day.

F. A regular part time employee will accrue sick leave and occupational injury leave on a prorated basis as prescribed by Company Regulations.

G. All credit for non-occupational sick leave or occupational illness or injury leave will be cancelled if employment ceases for any purpose and no payment for such accumulated credit will be made at any time. No credit will be given for non-occupational illness or injury leave purposes while an employee is on layoff status or on approved leave of absence.

H. The employees covered by this Agreement and the Union recognize their obligation of being truthful and honest in preventing unnecessary absence of other abuse of either non-occupational of occupational illness or injury leave privileges.

I. An employee on non-occupational sick leave, or on occupational illness or injury leave must obtain the approval of the Company to accept other employment.

EXTENDED ILLNESS STATUS

A. An employee who exhausts sick leave or who is off work because if illness or injury longer than sixteen (16) days without sick leave pay shall be placed on extended illness status up to a maximum of two (2) years from the first day placed on extended illness status. The employee shall, when placed on extended illness status, file his or her address with the Company and shall thereafter promptly advise the Company of any change in address.

B. While on extended illness status, the employee:

1. shall retain and continue to accrue seniority;

2. may continue insurance coverages according to the provisions of the Company's insurance plan;

3. may be granted free or reduced rate transportation privileges (except annual passes) upon request to his supervisor. The employee may receive an accrued annual pass if it is requested at the time the employee is placed on vacation status and paid for his or her accrued vacation;

4. may be required to submit to physical examinations at Company request or to furnish medical reports of the employee's current physical condition;

5. shall not accrue or be entitled to any other employee benefits such as vacation accrual, sick leave accrual, holiday pay, et cetera, except that an employee who is off work because of occupational illness or injury will continue to accrue vacation credit.

C. If while on extended illness status, the employee accepts employment elsewhere without prior approval by the Company, the employee shall be deemed to have severed his or her employee relationship with the Company.

D. At least sixty (60) days prior to the end of the employee's extended illness status, the employee's condition shall be reviewed by the Company and further extensions in the period of extended illness status may be granted if circumstances warrant. Thirty (30) days before the end of the employee's extended illness status, the Company shall notify the employee in writing, with a copy to the Union, of its decision to extend the employee's extended illness status or to separate the employee. Separation by termination of the employee's extended illness status shall be automatic and the Company shall not be required to follow the procedures specified in the Bargaining and Grievance Procedure Article of the Agreement. Following notice to the employee and the Union that the employee will be separated, the Union, if legally authorized, may appeal the Company's decision directly to the fourth step of the grievance procedure as provided in the Bargaining and Grievance Procedure Article of the Agreement. If such appeal is not filed on or before the date the employee's extended illness status expires, the Company's action shall be final and binding. Further appeal, if desired, shall be to the Arbitration Board provided for in this Agreement.

BARGAINING AND GRIEVANCE PROCEDURE

A. All disputes or grievances which may arise over the interpretation or application of this Agreement shall be settled in accordance with the procedures set forth in this Article. All reasonable steps to expedite the procedures set forth in this Article will be taken by the parties irrespective of the time limits provided.

1. If the Union or any employee covered by this Agreement has any such grievance, it shall be discussed with the employee's immediate supervisor and he shall render his decision within twenty-four (24) hours after final discussion.

2. If the Union or the employee is not satisfied with the decision of the employee's immediate supervisor and desires to appeal, the appeal shall be submitted in writing to the Company official in charge at the Vancouver station within fifteen (15) days of the date of the decision, and conference, if requested, shall be within ten (10) days thereafter by such official or his designee, or at such other time as may be agreed upon. The decision of such official or designee shall be rendered in writing within three (3) days after final conference if such is held.

3. If the Union or the employee is not satisfied with the decision in subparagraph 2 above, either shall have the right to appeal to the Company official designated to hear and decide grievances in the third step. Such appeal must be signed in writing within ten (10) days of the date of the second decision, and conference, if requested, shall be heard at a mutually convenient time thereafter by the designated third step Company official or his designee or at such other time as may be agreed upon. The decision of the Company official or his designee shall be rendered in writing within ten (10) days of receipt of the written appeal or within ten (10) days after final conference if such is held.

4. If the Union or the employee is not satisfied with the decision rendered in subparagraph 3 above, either shall have the right to appeal to the Company official designated to hear and decide grievances in the fourth step. The same time limits and procedures will apply as in subparagraph 3 above.

5. If the decision of the fourth step hearing official or his designee is still unsatisfactory to the Union or the employee, further appeal, if desired, shall be to the Arbitration Board provided for in this Agreement.

B. Grievances involving wage claims must be filed promptly after the cause giving rise to the grievance is evident and wage claims shall not be valid and collectible for a period longer than thirty (30) days prior to the date of discussing the grievance as provided in Paragraph A of this Article or the date the grievance arose, whichever is more recent.

C. An employee may be held out of service without notice in order to allow the Company time to investigate and determine whether the employee is to be suspended or discharged for cause. Any employee dissatisfied with the action of the Company in suspending or discharging him may appeal such action by filing an appeal to the third step of the grievance procedure and hearing will be held promptly after the filing of an appeal. All decisions by the Company and all appeals filed by the employee or the Union shall be in writing and shall conform to the time limits set forth in the third and fourth steps of the grievance procedure. If the employee or the Union fails to request a hearing or appeal within the time limits herein specified, the action of the Company shall be final.

D. If, as a result of any such hearings or appeals therefrom, it is found that the suspension or discharge was not justified, the employee shall be reinstated without loss of seniority and made whole for any loss of pay the employee suffered by reason of the suspension or discharge and the employee's personnel record shall be corrected and cleared of any charge or charges, or, if a suspension rather than a discharge results, the employee shall have the time held out of service credited against the period of suspension. In determining the amount of back wages due an employee reinstated as a result of the procedures outlined in this Agreement, the maximum liability of the Company shall be limited to the amount of normal wages the employee would have earned in the service of the Company had he not been discharged or suspended.

E. When it is mutually agreed that a stenographic report is to be taken of any hearing or conference provided for in this Agreement, the cost will be borne equally by both parties to the dispute. When it is not mutually agreed that a stenographic report of the proceedings is to be taken, a stenographic report may be taken by either of the parties to the dispute. A copy shall be furnished to the other party upon request, provided that the cost of taking and transcribing such report shall be borne equally by both parties to the dispute.

F. Nothing in this paragraph shall be construed as extending the right to use of the grievance procedure to employees during their probationary periods.

G. Grieving employees shall be permitted to have a Union representative in attendance during hearings conducted at the various steps of the grievance procedure described in Paragraph A above, and employees chosen to act as Union representatives for another employee in this Bargaining and Grievance Procedure shall, needs of the service permitting, be relieved of their normal duties and shall suffer no loss in pay while attending hearings.

H. All time limits for appeals and decisions will be exclusive of Saturdays, Sundays, and holidays.

ARBITRATION

A. In compliance with Part V of the Canada Labour Code, there is hereby established an Arbitration Board for the purpose of adjusting and deciding disputes which may arise under the terms of the Agreement and which are properly submitted to it, which Board shall be known as the "United Air Lines, Inc.-Vancouver Agents Arbitration Board," hereinafter known as the "Board."

B. The Arbitration Board shall consist of three (3) members, one (1) appointed by the Union (hereinafter referred to as the "Union Member"), one (1) appointed by the Company (hereinafter referred to as the "Company Member"), and for each dispute one (1) Neutral Member selected by the Union and the Company as provided in Paragraph H of this Article.

C. The Union Member and the Company Member shall serve until their successors are duly appointed.

D. The Board shall have jurisdiction over disputes between any employee (other than a probationary employee) covered by the Agreement and the Company and between the Company and the Union growing out of grievances concerning discharge of disciplinary action, rules, rates of pay or working conditions covered by the Agreement, or out of the interpretation or application of any terms of the Agreement. The jurisdiction of the Board shall not extend to proposed changes in rules, rates of compensation, or working conditions covered by the Agreement or any amendments thereto. The Board shall not have jurisdiction or power to add or to subtract from the Agreement or any amendments thereto or any agreement between the parties.

E. The Board shall consider any dispute properly submitted to it by the System General Chairman of the Union or by the Chief Operating Officer of the Company when such dispute has not been previously settled in accordance with the terms provided for in the Agreement, provided that the dispute is filed with the Board within thirty (30) days after the procedure provided for in the Agreement has been exhausted. If a dispute is not filed within such time, the action of the Company or the Union shall become final and binding. No matter shall be considered by the Board which has not first been handled in accordance with applicable appeals provisions of the Agreement.

F. The Neutral Member of the Board shall be designated as Chairman of the Board and shall preside at meetings of the Board and at hearings. It shall be the responsibility of the Chairman to guide the parties in the presentation of testimony, exhibits, and arguments at hearings to the end that a fair, prompt, and orderly hearing of the dispute is afforded.

The Board shall meet in Vancouver, B. C. (unless a different place of meeting is agreed upon by the Board) when there is a case or cases before it on a date mutually convenient to the Board members and the parties.

G. All disputes properly referred to the Board for consideration shall be submitted in written form and addressed to the Union Member and the Company Member jointly. The Submission of the dispute to the Board shall include:

1. Question or questions at issue
2. Statement of facts
3. Position of employee or employees
4. Position of Company

Copies of the Submission shall be served on the other party or parties.

H. Upon the filing of the Submission with the Union Member and the Company Member, these members shall promptly confer and endeavor to reach agreement upon the selection of a Neutral Member to sit with the Board for the purpose of deciding the case. Should the Union Member and the Company Member fail within a reasonable time to agree upon the selection of a Neutral Member, the Minister of Labour for Canada shall be requested by the above-mentioned representatives to appoint to the Arbitration Board a Neutral Referee to sit with the Board as the Neutral Member thereof for consideration and disposition of the case.

Within thirty (30) days after the selection of the neutral as provided above, and after notice to the referee of his or her selection, the Board, including the neutral, shall meet for the purpose of hearing the case. The decision of the Board shall be rendered within thirty (30) days after consideration and hearing or after the close of any further hearing, and a majority vote of the members of the Board, including the neutral, shall be necessary to reach such decision, which shall be final and binding upon the parties hereto.

The expenses and reasonable compensation of the neutral members selected as provided herein shall be borne equally by the parties hereto. The time limits specified in this Paragraph may be extended by mutual agreement of the parties to the Agreement.

I. Employees covered by the Agreement may be represented at Board meetings by such person or persons as they may choose and designate, and the Company may be represented by such person or persons as it may choose and designate. Evidence may be presented either orally or in writing or both. At the request of either party, witnesses testifying will be required to do so under oath.

The number of witnesses called by the parties at any one time shall not be greater than the number which can be spared from the operations without interference with the services of the Company.

J. A majority vote of all members of the Board shall be competent to make a decision.

K. Decisions of the Board in all cases properly referable to it shall be final and binding upon the parties thereto.

L. Nothing herein shall be construed to limit, restrict or abridge the rights or privileges accorded either to the employees or to the Company or to their duly accredited representatives under the provisions of the Canada Labour Code.

M. The Board shall maintain a complete record of all matters submitted to it for its consideration and of all findings and decisions made by it.

N. Each of the parties hereto will assume the compensation, travel expense and other expenses of the Board members selected by it.

O. Each of the parties hereto will assume the compensation, travel expense and other expenses of the witnesses called or summoned by it.

P. The Union Member and the Company Member, acting jointly, shall have the authority to incur such other expenses as in their judgment may be deemed necessary for the proper conduct of the business of the Board, and such expenses shall be borne one-half by each of the parties hereto. Board members who are employees of the Company shall be granted necessary leave of absence for the performance of their duties as Board members.

Q. It is understood and agreed that each Board member shall be free to discharge his duty in an independent manner without fear that his individual relations with the Company or with the employees may be affected in any manner by the action taken by him in good faith in his capacity as a Board member.

E. Employees required by the Company to travel away from the Vancouver station to attend training classes pertaining directly to the employee's job will be paid and their necessary and reasonable expenses will be reimbursed in the manner prescribed by Company Regulations.

UNIFORMS

A. Uniforms, where and as required by the Company, shall be worn by all employees covered by this Agreement.

B. Employees entering positions which require uniforms shall purchase, at their own expense, two (2) complete uniforms at the time of entry into such position, except that in the event a uniform change-over is planned within twelve (12) months, the Company may require the employee to purchase only one (1) uniform. In such event, the employee will be required to purchase a second uniform (new style) at the time of change-over and the Company will furnish the second new style uniform without cost to the employee.

C. The Company will furnish replacement uniforms there-after when and as deemed necessary by the Company.

D. Notwithstanding Paragraphs A through C above, employees who are assigned to work which is considered by the Company to require work shirt and pants or overalls will be furnished with such items and will be required to purchase them at one-half (1/2) of the cost to the Company.

E. Employees who wear uniforms will keep them clean and presentable and will pay all cleaning and laundering costs, except as otherwise determined by the Company and except that the Company will provide laundering service or pay the laundering cost for the work shirt and pants or overalls described in Paragraph D above.

WAGE RULES

A. Scale increases provided for in this Agreement will be effective on the nearest date commencing a regular pay period.

B. Hourly equivalent of monthly wage rates shall be determined by multiplying the monthly wage rate by twelve (12) and dividing by two thousand and eighty (2,080).

C. An employee who is assigned to perform the duties of an employee in a higher classification shall be paid no less than the minimum rate of the higher classification.

E. Deduction of total membership dues shall be made only at the time of the issuance of the second pay check issued each month provided there is a sufficient balance due the employee at that time after all other deductions authorized by the employee or required by law (including money claims of the Company and the Credit Union) have been satisfied. Within a reasonable time after such pay day, the Company will remit to the Union a check in payment of all dues collected on such pay day pursuant to outstanding and unrevoked Check-Off Forms.

F. An employee who has executed a Check-Off Form and who has been (1) transferred or promoted to a job not covered by the Agreement, (2) who resigns from the Company, (3) who is laid off, or is (4) otherwise terminated from the employ of the Company shall be deemed to have automatically revoked the Check-Off Form as of the date of such action and if the employee (1) transfers back or returns to a job covered by the Agreement, (2) is rehired, (3) is recalled or (4) reemployed, further deductions of Union dues will be made only upon execution and receipt of another Check-Off Form.

G. Collection of any back dues owed at the time of starting deductions for any employee, collection of dues missed because the employee's earnings were not sufficient to cover the payment of dues in the specified pay period, and collection of dues missed because of accidental errors in the accounting procedure will be the responsibility of the Union and will not be the subject of payroll deductions, and the Company shall not be responsible in any way because of such missed collections. It will be the Union's responsibility to verify apparent errors with the individual Union member before contacting the Company Payroll Accounting Manager.

H. In cases where a deduction is made which duplicates a payment already made to the Union by an employee and where a deduction is not in conformity with the provisions of the Union constitution and bylaws, refunds to the employee will be made by the Union.

I. United Air Lines, Inc., shall be held harmless and indemnified by the Union for any claims which may be made by the employee or employees by virtue of the wrongful application and misapplication of any of the terms of this Article.

DUES CHECK-OFF

During the life of this Agreement, the Company will deduct from the pay of each member of the Union the standard monthly membership dues uniformly levied in accordance with the Canada Labour Code and the by-laws of the Union, provided such member of the Union voluntarily executes the following agreed upon form which will be prepared and furnished by the Union and known as a "Check-Off Form":

I hereby authorize the Payroll Department of United Air Lines, Inc., to deduct from my wages the sum of per month, Union dues, to be forwarded to the Canadian Airways Lodge No. 764, International Association of Machinists and Aerospace Workers.

I understand the amount of dues may be adjusted in accordance with the by-laws of Lodge 764.

NAME (print)

FILE NUMBER

SIGNATURE

B. All Check-Off Forms will be submitted through the Treasurer of Canadian Airways Lodge No. 764, who will forward the original signed copy to the Payroll Accounting Manager, Executive Offices, Chicago, Illinois. A properly executed Check-Off Form, filed before the 15th of any month, will become effective he first of the month following its receipt by the Payroll Section of the Accounting Department, Chicago, Illinois. Illegible or improperly executed forms will be returned to the Treasurer.

C. Any employee who has authorized the Company to make monthly dues deductions as provided in Paragraph A above, may, by means of written notice to the Company, revoke such authorization, and such revocation shall be effective thirty (30) days from the date it is received by the Company.

D. Any notice of revocation must be in writing, signed by the employee, and delivered by certified mail, addressed to the Payroll Accounting Manager, United Air Lines, Inc., P. O. Box 66100, Chicago, Illinois 60666, with a copy to the Treasurer as soon as processed through Company payroll procedures. Check-Off Form and notices so received by the Company will be stamp-dated on the date received and will constitute notice to the Company on the date received and not when mailed.

SAVING CLAUSE

Should any part or provision of this Agreement be rendered invalid by reason of any existing or subsequently enacted legislation, such invalidation of any part or provision of this Agreement shall not invalidate the remaining portions thereof, and they shall remain in full force and effect. In the event of any invalidation, either party may, upon thirty (30) days' written notice, request negotiations for the modification or amendment of this Agreement necessitated by such invalidation and negotiations shall commence within thirty (30) days from the receipt of said notice.

EFFECTIVE DATE AND DURATION

This Agreement shall become effective
except that rates of pay shall become effective on the dates listed in Schedule A. This Agreement shall continue in full force and effect until and shall renew itself without change each succeeding thereafter unless written notice of intended change is served in accordance with Part V of the Canada Labour Code, as amended, by either party hereto not less than thirty (30) days nor more than ninety (90) days prior to in any year.

SAFETY AND HEALTH

A. An employee entering the service of the Company may be required to take a physical examination specified by the Company. The cost of such examination will be paid by the Company. Thereafter, the Company may request an employee to submit to further physical examinations during the course of his employment or recall to service after a layoff due to reduction in force. If it becomes necessary to hold an employee out of service due to his physical condition, the Union will, on the employee's request, be fully informed of the circumstances and every effort will be made to return the employee to service at the earliest possible date after the employee has passed a physical examination. The cost of such further examinations shall be paid by the Company.

B. The Company hereby agrees to maintain safe, sanitary and healthfull working conditions in all offices and facilities and to maintain on all shifts emergency first-aid equipment to take care of its employees in case of accident or illness and that certain employees will be given first-aid training. It is understood that this does not require the Company to maintain a nurse or doctor on the property, but the Company will designate a doctor to call in an emergency.

C. Where provided by the Company, washrooms will be kept in a clean and sanitary condition. Lunch rooms shall be provided and maintained in a clean and sanitary condition, complete with tables, chairs, sink, and hot and cold water. Employees will cooperate in maintaining the foregoing conditions. Individual lockers will be provided for each employee.

D. No employee will be required to work under unsafe or unsanitary conditions, and, in order to eliminate as far as possible accidents and illness, a joint safety committee composed of one (1) Union member and one (1) Company member will be established at the Vancouver station. It shall be the duty of the safety committee to see that all applicable safety and sanitary regulations and ordinances are complied with and to make recommendations for the maintenance of appropriate safety and sanitary standards.

The committee shall receive and investigate complaints regarding unsafe and unsanitary working conditions and make recommendations concerning such complaints. The Union safety committee member, as designated by the Union, shall be allowed a reasonable amount of time during working hours without loss of pay for these purposes.

E. The Company shall furnish all necessary safety devices for employees working on hazardous or unsanitary work, and employees will be required to use or wear such devices in performing such work.

F. Suitable rain repellent garments shall be kept available for use of employees covered by this Agreement when they are required to work outside in the rain.

G. Employees taken sick or injured while at work shall be given medical attention as promptly as reasonably practicable. Employees will not be refused permission to return to work because they have not signed releases of liability pending the disposition or settlement of any claims which they may have for compensation arising out of such sickness or injury.

H. Periodic audiometric examinations will be provided by the Company for all employees whose regular assignment exposes them to high levels of noise concentration. Upon request, an affected employee will be advised of the results of his or her examination.

SCHEDULE A

The minimum rates of compensation for classifications covered by this Agreement shall be as follows:

A. Customer Service Agent

	Effective 1st pay period after signing of ratified Agreement
1st 6 months of service in classification	$795
2nd 6 months of service in classification	812
2nd year of service in classification	829
3rd year of service in classification	846
4th year of service in classification	863
5th year of service in classification	880
6th year of service in classification	897
7th year of service in classification	914
8th year of service in classification	931

9th year of service in classification	948
10th year of service and thereafter in classification	965

B. Ticket Sales Agent

	Effective 1st pay period after signing of retified Agreement
1st 6 months of service in classification	$692
2nd 6 months of service in classification	713
2nd year of service in classification	733
3rd year of service in classification	754
4th year of service in classification	774
5th year of service in classification	795
6th year of service in classification	816
7th year of service in classification	836
8th year of service in classification	857
9th year of service in classification	877
10th year of service and thereafter in classification	898

C. Nothing in this Agreement shall preclude the Company from granting increases in individual rates or classifications over and above the minimum specified.

SCHEDULE B

Wage Rules

A.

1. The minimum monthly rates of pay shall be as follows provided however that the Company may, at its discretion, pay higher rates of pay than the established minimum:

(a) Customer Service Agent:	
First 6 months of service in classification	$855.00
Second 6 months of service in classification	$892.00
Second year of service in classification	$928.00
Third year of service in classification	$965.00
Fourth year of service in classification	$1,002.00
Fifth year of service in classification	$1,038.00
Sixth year of service in classification and thereafter	$1,075.00
(b) Ticket Sales Agent:	
First 6 months of service in classification	$750.00
Second 6 months of service in classification	$793.00
Second year of service in classification	$837.00
Third year of service in classification	$880.00
Fourth year of service in classification	$923.00
Fifth year of service in classification	$967.00
Sixth year of service in classification and thereafter	$1,010.00

B.

1. A permanent employee who is assigned to perform the duties of an employee in a higher classification shall be paid no less than the minimum rate of the higher classification.

C.

1. Hourly equivalent of monthly wage rates shall be determined by multiplying the monthly wage rate by 12 and dividing by 2,080.

D.

1. All full time employees covered by this Agreement shall be paid 21¢ per hour and 28¢ per hour, respectively, for afternoon and night shifts as additional compensation for the rate paid on day shifts for all hours worked. Any shift starting at 11 a.m. or later and before 5 p.m. shall be considered an afternoon shift. Any shift starting at 5 p.m. or later and before 6 a.m. shall be considered a night shift.

2. A full time employee on a rotating relief schedule who is scheduled to work on the day and afternoon shifts between the regular days off will receive 26¢ per hour additional compensation above the day shift rate for all regular hours worked in that calendar week. A full time employee on a relief schedule who is scheduled to work on the afternoon and night shift or day and night shifts between the regular days off will receive 31¢ per hour additional compensation above the day rate shift for all regular hours worked. Rotating relief employees shall not receive shift premium as provided in sub-paragraph 1 of this paragraph, but shall have the additional compensation provided for in this sub-paragraph treated for pay purposes the same as a shift premium.

3. A full time employee on a relief schedule who is scheduled to work two or more different starting times within either the afternoon or night shifts between regular days off shall be paid, for all hours worked, in lieu of the shift premium provided in sub-paragraph 1 of this paragraph, 26¢ per hour or 31¢ per hour, respectively additional compensation above the day shift rate for all regular hours worked. This additional compensation shall be treated for pay purposes the same as shift premium.

4. Part-time employees covered by this agreement shall be paid afternoon shift premium of 21¢ per hour for all hours worked during work periods scheduled to end between 7:30 p.m. and 12:59 a.m. and shall be paid night shift premium of 28¢ per hour for all hours worked during work periods scheduled to start or end between 1 a.m. and 5:59 a.m.

SCHEDULE C

Mr. Anthony C. Steele
System General Chairman
Canadian Airways Lodge No. 764
International Association of
Machinists & Aerospace Workers
2 – 6975 Victoria Drive
Vancouver, British Columbia V5P 3Y7

Dear Mr. Steele:

This letter will confirm the understanding and agreement reached between representatives of the International Association of Machinists and Aerospace Workers and United Air Lines, Inc. in the negotiations leading to the 197 Agreement covering Agents and Related Employees in Vancouver.

The Company will, concurrent with the duration of the 197 Agreement, permit employees covered by the Agreement to continue to participate in the Group Life Insurance, Accident, Sickness, and Dental Insurance, and Retirement Income Plans which are afforded to the non-union, non-management employees of United Air Lines, Inc. in Canada.

It is understood and agreed that the Company shall retain its unilateral right to terminate or to make changes or modifications to any or all of these Plans provided, however, that such changes or modifications to, or termination of, any Plan shall apply to all employees in Canada covered by such Plan.

If this conforms to your understanding of our agreement, please date and sign in the space provided below.

Sincerely,

Clark E. Luther
Vice President
System Personnel

Accepted and agreed to this
day of , 197

System General Chairman

Report of the Conciliation Commissioner appointed to deal with disputes between;

(1) Northland Shipping (1962) Co. Ltd., Vancouver, and Canadian Brotherhood of Railway, Transport and General Workers, (2) Northland Navigation Co. Ltd., Vancouver, and Seafarers' International Union of Canada.

The Conciliation Commissioner appointed by the Minister of Labour was Professor Joseph C. Smith of the University of British Columbia. His reports were received by the Minister in May.

(1)

The Conciliation Commissioner held hearings at Vancouver, B.C. on the 7th of May, 1974 and met thereafter on May 8th, 10th and 14th with the parties to conciliate the dispute. This dispute arises from proposals for the revision of a collective agreement which expired on December 31, 1973.

The Company operates the M.S. Island Prince (1,791 gross tonnage) and the Hecate Prince (1,377 gross tonnage) having 12 unlicensed and 6 relief personnel and 15 unlicensed and 8 relief personnel respectively, both of which are cargo vessels with limited passenger accommodation. The company also operates two tugs which are used for towing general cargo barges. Each tug has 3 unlicensed and 3 relief personnel.

The Union and Company made submissions in regard to only the major items which are in dispute. These will be dealt with one at a time.

(1) **Weekly Leave.**

The Union is presently working under a .5 system which is standard in the industry. They demand that this be increased to .6 on the grounds that the employees are required to do extensive overtime and the vessel is badly designed as far as the comfort and interests of the crew are concerned. The company argues that the cost to the company would be prohibitive and that a reduction in the present 27 ½ hour work week is not justified.

While it is quite true that the design of the vessel leaves very much to be desired from the perspective of the comfort of the crew, the cost would be prohibitive in the light of other demands which, in my opinion, should be given a higher priority. I therefore recommend that no change be made in regard to weekly leave in this agreement.

(2) **Vacations.**

The expired agreement provides for two weeks' vacation at 4% of gross wages after one year's service, three weeks' vacation after five years, at 6% of gross wages, and four weeks after 15 years at 8% of gross wages earned.

The Union demands three weeks after one year at 6% gross wages, four weeks after four years at 8% of gross wages and five weeks after ten years of service at 10% of gross wages.

The Company has offered no change to the past agreement.

I would recommend that both parties accept the following terms:

Two weeks' vacation at 4% of gross wages after one year.
Three weeks' vacation at 6% of gross wages after four years.
Four weeks' vacation at 8% after 13 years service.

(3) **Pension.**

The Union demands a pension plan under which the employer would contribute a total amount of 5% which would include the contribution toward the Canada Pension plan. The Company is presently making a 5% contribution for the Guild. The Company takes the position that the bargaining unit is too small to create a viable pension plan and that this is a major cost item which cannot be met in the light of other Union demands.

It is my recommendation that the company should pay a pension of 5% to include the Canada Pension Plan contribution. The balance after the Canada Pension Plan contribution is deducted should be paid into individual registered retirement saving plans of a kind to be selected by the Union as the bargaining unit is not of a sufficient size to justify one integrated plan for all employees.

I would recommend that the pension plan outlined above should not be introduced until the end of the first year of the agreement if the Company accepts the recommendations of this report in regard to overtime, cargo time and wages, as these are all major cost items.

(4) **Statutory holidays.**

The Union demands that Easter Monday be added as an additional holiday and that holidays shall be considered working days for the computation of weekly leave. It is my recommendation that this demand be accepted.

(5) **Welfare benefits.**

The union demands that the weekly indemnity which is now $113.00 be increased by another $60.00. It further demands that a dental plan be introduced a month after ratification, and that a long term disability plan be introduced on the same terms as the dental plan. The company takes the position that these plans should be phased in over the length of the agreement.

I recommend that:

(a) there be no change in the weekly indemnity payment.
(b) the dental plan be inaugurated one month and no later than two months after the ratification of the agreement.
(c) the long term disability plan shall be established at the end of the first year of the agreement.

(6) **Meal hours.**

The union demands that there shall be a one hour overtime penalty in addition to existing overtime for work during meal periods.

I recommend that the Company accept this demand.

(7) **Call-outs.**

The Union demands that call-out time be changed from 15 to 20 minutes in the summer and from 20 minutes to 30 minutes in the winter. The company takes the position that the present 15 and 20 minute call-out times are adequate.

I recommend that call-out times be 20 minutes all year round.

(8) **Working Cargo.**

The expired agreement provided that an employee who is required to work cargo while on watch would receive in addition to their regular wages, compensation at the rate of $2.25 per hour. Employees not on watch would be paid overtime but receive no additional compensation. The Union demands that "cargo time" be paid in addition to overtime to employees working cargo in off-watch hours. The Company takes the position that this would make the handling of cargo uneconomical.

I recommend that cargo time be paid at the rate of $1.00 an hour on top of overtime for off-watch cargo working hours.

(9) **Overtime.**

The Union demands double time for all overtime. The Company insists that the cost would be prohibitive, and points out that overtime on board ship cannot be compared with overtime in shore industries.

I would recommend that at the end of the first year of the agreement, (that is, during the second year of the agreement) overtime be paid at double time after three hours.

(10) **Wages.**

Neither the Union or Company were precise as to their demands and offers in regard to wages.

It is my recommendation that wages be increased $100 per month in the first year and further $100 per month in the second year.

Dated at the City of Vancouver, Province of British Columbia, this 17th day of May, 1974.

(Sgd.) J.C. Smith
Conciliation Commissioner

(2)

The Conciliation Commissioner held hearings at Vancouver, B.C. on the 7th of May, 1974 and met thereafter on May 8th, 10th and 14th with the parties to conciliate the dispute. This dispute arises from proposals for the revision of a collective agreement which expired on December 31, 1973.

The Company operates a 3,150 ton vessel, the M.S. Northland Prince, having 24 unlicensed and 12 relief personnel. The Northland Prince is primarily a cargo vessel with passenger accommodation for 110 persons, which operates along the B.C. coast carrying out a general cargo and passenger trade.

The Union and Company made submissions in regard to only the major items which are in dispute. These will be dealt with one at a time.

(1) Weekly Leave.

The Union is presently working under a .5 system which is standard in the industry. They demand that this be increased to .6 on the grounds that the employees are required to do extensive overtime and the vessel is badly designed as far as the comfort and interests of the crew are concerned. The company argues that the cost to the company would be prohibitive, and that a reduction in the present 37 ½ hour work week is not justified.

While it is quite true that the design of the vessel leaves very much to be desired from the perspective of the comfort of the crew, the cost would be prohibitive in the light of other demands which, in my opinion, should be given a higher priority. I therefore recommend that no change be made in regard to weekly leave in this agreement.

(2) **Vacations.**

The expired agreement provides for two weeks' vacation at 4% of gross wages after one year's service, three weeks' vacation after five years, at 6% of gross wages, and four weeks after 15 years at 8% of gross wages earned.

The Union demands three weeks after one year at 6% gross wages, four weeks after four years at 8% of gross wages and five weeks after ten years of service at 10% of gross wages.

The Company has offered no change to the past agreement.

I would recommend that both parties accept the following terms:

Two weeks' vacation at 4% of gross wages after one year.
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Four weeks' vacation at 8% after 13 years service.

(3) **Pension.**

The Union demands a pension plan under which the employer would contribute a total amount of 5% which would include the contribution toward the Canada Pension plan. The Company is presently making a 5% contribution for the Guild. The Company takes the position that the bargaining unit is too small to create a

viable pension plan and that this is a major cost item which cannot be met in the light of other Union demands.

It is my recommendation that the company should pay a pension of 5% to include the Canada Pension Plan contribution. The balance after the Canada Pension Plan contribution is deducted should be paid into individual registered retirement saving plans of a kind to be selected by the Union as the bargaining unit is not of a sufficient size to justify one integrated plan for all employees.

I would recommend that the pension plan outlined above should not be introduced until the end of the first year of the agreement if the Company accepts the recommendations of this report in regard to overtime, cargo time and wages, as these are all major cost items.

(4) **Statutory holidays.**

The Union demands that Easter Monday be added as an additional holiday and that holidays shall be considered working days for the computation of weekly leave. It is my recommendation that this demand be accepted.

(5) **Welfare benefits.**

The union demands that the weekly indemnity which is now $113.00 be increased by another $60.00. It further demands that a dental plan be introduced a month after ratification, and that a long term disability plan be introduced on the same terms as the dental plan. The company takes the position that these plans should be phased in over the length of the agreement.

I recommend that:

(a) there be no change in the weekly indemnity payment.
(b) the dental plan be inaugurated one month and no later than two months after the ratification of the agreement.
(c) the long term disability plan shall be established at the end of the first year of the agreement.

(6) **Meal hours.**

The union demands that there shall be a one hour overtime penalty in addition to existing overtime for work during meal periods.

I recommend that the Company accept this demand.

(7) **Call-outs.**

The Union demands that call-out time be changed from 15 to 20 minutes in the summer and from 20 minutes to 30 minutes in the winter. The company takes the position that the present 15 and 20 minute call-out times are adequate.

I recommend that call-out times be 20 minutes all year round.

(8) **Working Cargo.**

The expired agreement provided that an employee who is required to work cargo while on watch would receive in addition to their regular wages, compensation at the rate of $2.25 per hour. Employees not on watch would be paid overtime but receive no additional compensation. The Union demands that "cargo time" be paid in addition to overtime to employees working cargo in off-watch hours. The Company takes the position that this would make the handling of cargo uneconomical.

I recommend that cargo time be paid at the rate of $1.00 an hour on top of overtime for off-watch cargo working hours.

(9) **Overtime.**

The Union demands double time for all overtime. The Company insists that the cost would be prohibitive, and points out that overtime on board ship cannot be compared with overtime in shore industries.

I would recommend that at the end of the first year of the agreement, (that is, during the second year of the agreement) overtime be paid at double time after three hours.

(10) **Wages.**

Neither the Union or Company were precise as to their demands and offers in regard to wages.

It is my recommendation that wages be increased $100 per month in the first year and a further $100 per month in the second year.

Dated at the City of Vancouver, Province of British Columbia, this 17th day of May, 1974.

(Sgd.) J. C. Smith
Conciliation Commissioner

Report of the Conciliation Commissioner appointed to deal with dispute between:

British Yukon Navigation Company Limited, Vancouver, B.C.,

and

Canadian Merchant Service Guild

The dispute was dealt with by Louis F. Lindholm of Victoria, B.C., the Conciliation Commissioner appointed by the Minister of Labour. His report was received by the Minister in April.

Upon my appointment as conciliation Commissioner, in accordance with directions, I met with the parties at Vancouver, British Columbia in an attempt to effect an agreement on the matters which they had thus far not agreed on. During the hearings before me I had the benefit of submissions and advice from Messrs. Mercer, Captain Davis, Van Santon, G. Hunter, M. Svangtun, and Q. Young on the part of the Bargaining Agent, and Messrs. R. Moffat and S. Kollbaer and D. McKeown on behalf of the Employer.

The dispute involves the ships officers employed on two coastal vessels owned and operated by the British Yukon Navigation Company Limited. The officers are represented by the Canadian Merchant Service Guild. The collective agreement under which the parties presently operate was expressed to terminate on March 31, 1973. However, it remains in effect pending the conclusion of a further collective agreement pursuant to the relevant sections of the Canada Labour Code.

Notice to open the collective agreement for change was served by the Guild on January 3, 1973, the Company replied on January 4, 1973. Subsequent thereto, the parties engaged in direct negotiations which were fruitful and which resulted in amicable agreement as to certain changes in the collective agreement. Not all of the items and areas of dispute, however, were reconciled, and in consequence the Honourable Minister of Labour appointed G. W. Rogers, Esq., Industrial Relations Officer to deal with the dispute. Further useful meetings were held by Mr. Rogers with the parties in an attempt to resolve the outstanding issues. This process also proved valuable as the outstanding issues were again narrowed down.

Later the parties met with D. Cameron, Esq., Chief Conciliation Officer, Western Region, and Mr. Rogers, at Vancouver, British Columbia, during which time, as between the negotiating committee of the Guild and the Employer after further arduous negotiations, agreement as between them was achieved. The settlement agreed on between the representatives of the disputants was submitted to the membership for ratification. The membership, however, did not ratify the agreement. Thus the outstanding issues raised by the membership of the Guild have been referred by the Honourable Minister of Labour to the writer as a Conciliation Commissioner with instructions to endeavour to effect agreement between the parties on the matters on which they have not agreed.

The Commissioner met with the parties, has heard their representations, and I now tender my report on the various issues so far remaining outstanding. I have not attempted to meet again with the representatives of either of the parties with a view to hammering out an agreement. I have not done so because it was clear to me from the representations made during the hearing that the course which would perhaps prove most useful to the parties was that I should report my views in writing as a dispassionate third party, with the hope that both sides could, in these third party views, find a common meeting ground which would serve as the basis for final agreement between them.

My views upon the proposals put forward by the Guild dealt with in chronological order follows:

Section 4.3 – Weekly Leave

The Guild proposal is that:

"Weekly leave shall be granted at the port of Vancouver, British Columbia, on a calendar basis of 1.0 days leave for each day worked."

Under the present agreement, the Guild members work on what is called the .5 system, that is to say, an officer accumulates ½ day's leave for each day worked. In this way, an officer may accumulate sufficient leave time by his service both at sea and while the vessel is in port loading or discharging cargo to permit him to miss a trip and spend time with his family while one of the two vessels operated by the Company plies its regular run to Skagway and return.

It should be explained that the prime purpose of the leave system so far as the men are concerned, is the opportunity that it provides to them as seafaring men to have a worthwhile period of time ashore to spend with their families. Ordinarily, they have little leisure time with which to enjoy their home life because the vessels operated by the Company (M.V. Frank Brown and the M.V. Klondike) travel the route to Skagway and return in a matter of eight to nine days before returning to the home port of Vancouver. While in port the officers must also maintain some watchkeeping duties for the purposes of on-loading and off-loading cargo. Thus it is only when they have accumulated sufficient leave time that they have an uninterrupted opportunity (aside from holidays) to stay ashore with their wives and families.

One of the grievances which the Guild members have with the present system which I believe is justified, is that while it is the custom of the Company to post a work schedule within 24 hours after either of their vessels returns to the home port in Vancouver, which sets out the schedule of duties for officers engaged on the vessels while in the home port for the four day lay-over, in practise the work schedule is sometimes countermanded and officers are called in at short notice to serve on board while the ship is in port. This is, of course, most disruptive to those on leave for the few days while the vessel is in port, and understandably a source of dissatisfaction on the part of the officers. The representatives on behalf of the Employer advised the Commissioner that changes in work schedules were a rare exception to the norm and agreed that they should be avoided. Before me it was agreed on all sides that the posted work schedules while the vessel was in port at Vancouver should only be changed in case of unavoidable and unforeseen emergency or in order to replace an officer who was scheduled to work but was unable to do so by reason of illness or family emergency overtaking him. If this rule is inflexibly followed, in my opinion, the officers could plan their free time ashore with more confidence and a source of grievance with which this whole question of leave is bound up would be removed.

As to the increase of the weekly leave ratio itself, I am of the opinion that inasmuch as the increase in the leave factor beyond .5 would be a departure from present practise in the industry, it is one upon which I do not think a Conciliation Officer should venture without detailed evidence as to the costs involved in pioneering the programme, which evidence was not put before me. It is noteworthy that during the rigorous bargaining sessions between the experienced representatives of the Guild and the Company, which led to the agreement which was set before the membership for ratification, no change in the .5 days leave for each day worked was agreed upon. While I have every sympathy with the officers desiring and requiring more rest time, I am not satisfied I would be justified at this time in recommending a change in the agreement upon this point. I therefore do not recommend any change in Section 4.3 of the proposed Agreement.

Section 6.2 – Port Routine

The Guild submitted that the words "with no meal breaks while this vessel if afloat and" be struck out of Section 6.2(a) of the proposed agreement.

The Guild is concerned here as to whether an officer would be entitled under the terms of the clause to take sustenance during the 0800 – 1600 work period. It was agreed before me by the representatives of the Employer that it was not the intent of the Company that an officer be denied the right to a noon meal, provided that it was made clear that inasmuch as the officer was being paid for the entire 8 hours without interruption, that it be understood the officer is on duty and will not leave the vessel and will take his sustenance as the exigencies of the work allows.

Accordingly I recommend that Section 6.2(a) be amended by striking out the paragraph commencing with the words "with no meal breaks if the vessel is afloat and" and substituting therefor the words "When the vessel is afloat the deck officer is on duty during the whole shift, but he may, depending upon the exigencies of the work, take a reasonable meal break on board the vessel. When the vessel is in drydock, an officer shall be entitled to one hour meal break within the shift hours of each shift. Two suitable coffee breaks may be taken during each shift."

Section 7.6

"Engineer officers on watch shall not be required to work outside the engine room whilst the vessel is underway."

It is the Guild's submission that the words "whilst the vessel is underway" where they appear in the second line of the section, should be deleted. It is the view of the Engineer Officers that they should not be required to work outside the engine room at any time, either while the vessel is underway or in port.

It appears that when the vessel is in port and cargo is being worked, on occasion an Engineer Officer is called on deck to deal with some emergency when a General Duties Engineer is not aboard — for example — a breakdown of the gantry. It was the submission of the Guild that an Engineer Officer may not have the electrical knowledge necessary to properly assess the damage which may have occurred to the gantry or to other equipment on deck. Furthermore, in the view of the Guild it is the duty and responsibility of the Engineer Officer to be present at all times in the engine areas for which the Engineer Officer is responsible for the safe and efficient operation of the equipment.

After reviewing all of the evidence I have concluded that the only occasions in which the Engineer Officer is likely to be called on deck in the absence of a General Duties Engineer, is during the evening shift when the duties of the engine room Engineer are not unduly onerous. Upon the evidence, the occasions when the Engineer Officer is likely to be called upon are rare, and on such occasions, the only alternative would be to call in a General Duties Engineer as an emergency with consequent delay and additional cost. Having regard to the likely rarity of the occasions when the situation will arise, and the practicality of the situation I have concluded that the clause is reasonable as drafted.

Section 7.8

While objection was voiced at Article 7.8 it appears that it is couched in language which is similar to that contained in the C.B.R.T agreement and was carried forward into the present agreement at the request of the Guild. Furthermore, the working of the section does provide the opportunity for the officers to put in additional work so as to gain additional leave time which is one of the objectives sought by the officers. In the circumstances, I am not prepared to recommend any changes to this clause.

Section 8.1 (a)

I recommend that Section 8.1 (a) be clarified by being amended to read as follows:

"(a) When not on sea watches, Engineer Officers may be required to work Port Shifts, as follows:

(i) when the Company elects to work one shift only per day — a day shift between 0800 — 1700 with a meal break from 1200 — 1300.

(ii) when the Company elects to work more than one shift —
  (a) 0700 — 1500 morning shift with one (1) hour meal break
  (b) 1500 — 2300 evening shift with one (1) hour meal break
  (c) 2300 — 0700 night shift with one (1) hour meal break"

Sections 8.5 and 8.6 of Guild proposals

The essential part of these proposals which was put forward by the Guild at the hearing before me was for a wage differential to be paid to those members who worked on the evening shift or night shift as opposed to the morning or day shift while the vessel is in port. Up to this time, no differential has ever applied to the work of the officers of the Guild. Indeed the proposal appears to be somewhat novel as applied to seafaring men. Obviously the question of differential has no application while the ship is at sea and sea routines apply. Notwithstanding this, there appears to me to be a compelling case for the introduction of shift differentials in respect of duties carried out by Guild members while the vessel upon which they ordinarily serve is out of commission, either at dockside or in drydock at the port of Vancouver. It seems to me that in such circumstances the work of the Guild member closely parallels the work of a shore worker. While the vessel is out of commission and in port, the Guild members may be working with others who enjoy a shift differential for the evening and night shift work — longshoremen are an example.

The rationale of an evening and night shift differential is that there is a social and monetary penalty paid by one who works these shifts in that there is an unquestioned disruption of the employee's normal family life and social activity. The employee works under the additional strain of irregular work hours which interfere with normal sleeping and eating routines, and impose a readjustment of life habits. A seafaring man accepts these limitations while at sea, but in my opinion some additional compensation should be granted to the officer who is called upon to work shift work upon the vessel during its layovers and while not in commission while the ship is in the port of Vancouver.

As mentioned earlier one of the Guild members most pointed complaints is the lack of time they have ashore at home. Some premium for the additional disruption of shift work seems to me in these circumstances, equitable. I would therefore recommend that in this first contract containing a differential for the evening shift and night shift while the ship is out of commission and at the port of Vancouver, as follows:

A differential of 4% for the evening shift and a differential of 6% for the night shift.

In making this recommendation I am not unmindful of the employer's submissions that the Guild members already get paid 8 hours pay for 7 hours work. Inasmuch as that provision applies equally to all three shifts, it does not, in my judgment, bear directly on the reasons aforementioned for a differential.

Section 10.7

"Engineers shall not perform cleaning duties normally performed by the Oiler."

It was the submission of the Guild that the word "cleaning" should be deleted from this section. The concern was that engineers should not be called upon to perform oilers duties and that therefore the descriptive modifier "cleaning" should be deleted. I have concluded that the deletion of the word "cleaning" might create more confusion than it eradicates. The economics of the operation militate, I think, against an Engineer being ordinarily called upon to do Oilers duties. Upon the evidence, the Engineer and the Oiler are sometimes required to work together as a team. For example, to open the base of an engine. Thus, a too rigid definition of the duties of the Engineer on the one hand and the Oiler on the other might work against the object of harmonious and efficient operation of the work. I accordingly do not recommend any change in the wording of this section.

Sections 11.2 — 11.3 — 11.4 — Relating to Annual Vacation:

Having regard to the whole of the proposed agreement and the other changes thereto suggested in this report, I do not recommend any further change in these sections.

Section 15.1

It appears that this clause does not provide as much protection as that provided to the unlicensed personnel under their collective agreement. The limit in that agreement being $700.00 as opposed to the $500.00 set out in Section 15.1 of the proposed agreement under review. The unlicensed agreement allows for the recovery of the $700.00 without proof of loss being substantiated. This does not appear to me to be wholly defensible. I would therefore suggest that the parties retain Section 15.1, subject to amendment by striking out the words and figures $500.00 where they appear in the 7th line of the said section and substituting therefor the words and figures $700.00.

Section 21.1 – Promotions

The section declares:

> "Promotions shall be based on ability, qualifications, merit and seniority; ability, qualifications, and merit being sufficient, seniority shall prevail. The officers of the Company shall be the judge, subject to appeal."

The request of the Guild is that the word "merit" be deleted from this article. The argument being that it is redundant. It is submitted by the Guild that if one has the ability and the qualifications, that these terms embrace what should be included in the definition of merit, thus that term should be deleted. Notwithstanding the argument I am not convinced that the term "merit" as used in the section is redundant. Merit, it seems to me, would entitle one to judge upon factors not included in ability, competentcy, or qualifications (in the sense of certification or training). By merit, one might judge the esteem with which one is held by his fellows, qualities of leadership, reliability, the ability to get along with others. It may be, as it was argued, that these qualities might be embraced in the larger definition of "qualifications" or "ability." It can be argued just as strenuously that if a narrow interpretation of "qualifications" or "ability" is put forward such qualities are not included with such words. Inasmuch as it seemed to be acknowledged on all sides that the last mentioned qualities to which I have made reference are ones which should bear in a decision as to promotion, in my view the clause should remain as it is.

Section 25.1 – Wages

I have carefully considered all the submissions and representations made on behalf of the Guild and the Employer and have the following recommendations to make with respect to the rates of pay to be paid under the proposed agreement.

The rate of pay of the Master as set out in the proposed contract did not appear to be in issue. By the terms of the proposed agreement the Master is to receive a raise of $370.00 over two years, $235.00 in the first year and $135.00 in the second year. This in comparison to a raise of $215.00 over two years to the Chief Mate, Second Mate, Third Mate and their equivalents, the Second Engineer, Third Engineer and Fourth Engineer, payable $120.00 in the first year and $95.00 in the second.

In my view the rates for the Chief Mate, Second Mate, Third Mate, Second Engineer, Third Engineer and Fourth Engineer with appropriate overtime equivalents should be increased as follows:

The Chief Mates and Second Engineers should receive an increase of $250.00 per month over the two years, payable $130.00 a month commencing April 1, 1973, and an additional $120.00 a month commencing April 1, 1974.

The Second Mate and Third Engineer should receive an increase of $235.00 per month over two years payable $120.00 per month commencing April 1, 1973 and an additional $115.00 per month commencing April 1, 1974.

The Third Mate and Fourth Engineer should receive an increase of $220.00 per month payable $120.00 commencing April 1, 1973 and an additional $100.00 per month commencing April 1, 1974. The over-time in all categories to be adjusted accordingly.

Section 30.2 – Retroactivity

The Guild asks that consideration be given to a proposal put forward by it that interest be paid on all retroactive moneys to the date of signing of the contract at the rate of 1½% per month. In my opinion there would be little incentive for the early completion of collective agreements if one of the parties were to recover interest at the rate of 18% per annum on retroactive pay. I do not recommend that any interest be paid on moneys recovered under a retroactive settlement.

Section 32.1 (b)

This Section as presently drafted appears to limit the benefits of retroactivity in some respect to persons who were in the employ of the Company at the date of ratification rather than during the period of time to which the retroactivity relates.

Also under Section 32.1(b) (4) the onus is on the former employee to apply for his retroactive pay. In my opinion all persons, whether presently in the employ of the Company now or not, who were in fact employed during the period to which the retroactivity relates should be entitled to compensation in that behalf. The Company may discharge this obligation by forwarding the appropriate cheque to the former employee at his last known address according to the records of the Company, unless within 60 days of the date of ratification, the former employee advises the Company of a more recent address.

The foregoing are all of the issues with which I was requested to deal and which were outstanding between the parties. I recommend that a copy of this report be published to the parties with the hope that it may form the basis for an amicable settlement. If I can be of further assistance either to the Honourable Minister or the parties, I am at your service.

(Sgd.) Louis F. Lindholm

Conciliation Commissioner

March 29, 1974

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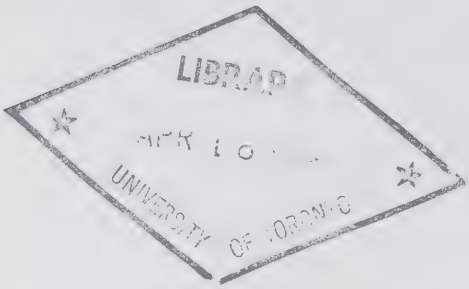
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CONCILIATION BOARD REPORTS

No. 3, 1974



Conciliation Board Reports in disputes between:

Canadian Lake Carriers Association and Canadian Marine Officers Union

Alaska Trainship Corporation and Seafarers' International Union of Canada

Alltrans Express Ltd., and General Truck Drivers and Helpers Union, Local No. 31; Teamsters Local Union No. 213; Truck Drivers, Cartagemen and Building Material Employees Union, Local No. 362; and General Drivers, Warehousemen and Helpers Union, Local No. 979

Canadian Lake Carriers Association and Canadian Merchants Service Guild

Canadian Freightways Limited, Loiselle Transport Limited and Millar and Brown Limited, and General Truck Drivers and Helpers Union, Local No. 31, Teamsters Local Union No. 213, General Teamsters Local Union No. 362, General Drivers, Warehousemen and Helpers, Local Union No. 979 and Chauffeurs, Teamsters and Helpers Local Union No. 395

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CANADA DEPARTMENT OF LABOUR

Hon. John Munro, Minister

T. M. Eberlee, Deputy Minister

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Ottawa, 1975
Cat. No.: L13-6/1974-3

Report of the Conciliation Commissioner, Professor Perry Meyer of Montreal, appointed by the Minister of Labour to deal with a dispute involving:

Canadian Lake Carriers Association

and

Canadian Marine Officers' Union

His report was received by the Minister in July.

I was appointed on June 21, 1974, and my initial mandate would thus have expired normally on July 5, 1974. The first convenient date for all involved in these proceedings to meet was July 3. This left virtually no time in which to engage in any meaningful conciliation unless my mandate was extended. Notwithstanding this, the bargaining agent, on July 3, formally refused to consent to a voluntary extension of my mandate. When I reported to you on July 3 as to what had transpired, you saw fit to prolong my mandate to July 31, 1974, in order to give these proceedings at least some reasonable chance of success.

I met with the parties hereto on July 3, 4 and 5, 1974. The parties met again on July 6, but negotiations broke off as their positions were too far apart. The parties had agreed to meet with me again on July 17, but on July 15 I received a letter from the bargaining agent, dated July 11, in which I was advised that the bargaining agent would not attend the scheduled meeting as it did not believe this would serve any useful purpose. It had been agreed by the parties on July 5 that if no agreement could be reached in the interim, the meeting of July 17 would be a final one for the purpose of exposing the outstanding issues to the undersigned Commissioner, so that he could make his report and include substantive recommendations. However, the refusal of the bargaining agent to participate in these sittings of the Commissioner makes any such attempt on my part very difficult, if not impossible.

I thus regret to advise that the prolongation of my mandate has not produced the desired results. While a number of issues were resolved on July 3, 4 and 5, the parties remained far apart in a number of important areas. Their further meeting on July 6 did not produce any breakthroughs, notwithstanding some important counter proposals made by the employer on July 5, including a wage package which was rejected by the union. No further talks were held until after the bargaining agent notified me of its refusal to attend the sitting fixed for July 17, after it had agreed to do so. After this, the bargaining agent did contact the employer and requested a further meeting, which took place on July 19, but these additional discussions, which continued on July 20, did not produce any clear results, although at the final meeting the employer made a number of proposals verbally, on wages, fringe benefits and other matters which went a long way toward meeting the union's demands.

The purpose of appointing a conciliation commissioner is (1) to arrive at an agreement or (2) if that fails, to obtain a report containing recommendations. The first goal cannot be realized unless the parties wish to reach an agreement, no matter who the commissioner is or what he does. The alternative goal can only be achieved if the parties negotiate in good faith and present their cases to the commissioner so as to acquaint him with their positions on the outstanding issues in considerable detail. All of this requires the co-operation and interest of the parties. If either party wishes to undermine this stage of the proceedings, by by-passing them or refusing to co-operate and participate in good faith, the proceedings are doomed to failure in advance.

Unfortunately, a party may sometimes feel that it is in its interest to treat these proceedings lightly. In particular, a bargaining agent may decide that it is more likely to obtain results after the right to strike has been acquired, at post-conciliation negotiations, perhaps with government participation. Thus the intention of the legislator may be frustrated, and the conciliation proceedings may become not the **final** stage, but an intermediate stage in the negotiations.

In the present case, something like this may be the case, as appears from the facts recited above, and failure of the bargaining agent to co-operate and its lack of interest has been a determining factor. Thus no agreement has been possible at this stage.

Failing an agreement, I have been somewhat frustrated in my desire to make detailed recommendations on the outstanding issues, due to the lack of an opportunity to explore matters in depth with both parties, as was to have taken place. In the absence of full co-operation from both sides and an adequate exposition of their views, the normal difficulties facing a conciliation commissioner making recommendations having any weight or authority are greatly compounded, and I am therefore somewhat reluctant to make detailed suggestions with respect to the outstanding issues.

Having said this, and with some trepidation, I have, however, decided that it would be feasible for me to make some recommendations. This possibility exists for several reasons: the direct negotiations which took place between the parties on July 19 and 20 in which the issues were somewhat narrowed; and the continued negotiations which took place under my auspices between the employer and the Canadian Merchant Service Guild after July 17, 1974 on behalf of the mates, in which dispute I was appointed as Conciliation Commissioner concurrently with my appointment in the present case. In some areas the position of the engineers, represented by the CMOU, and the mates, represented by the Guild, is very similar if not identical. Mutual discussions and meetings were held by me with the CMSG and the employer during the latter part of July, and these meetings, involving numerous proposals and counter-proposals, served to clarify a great many issues. In addition, the employer has brought me up-to-date, to some extent, with respect to its views on the outstanding issues, and I have received, at my request, the final written proposals made by the parties to this dispute on July 19 and 20. Since these documents do cover all the outstanding issues between the parties, I am now prepared to make the following recommendations, covering these six outstanding matters:

Clause 8.a2 **Self-unloader premium:** In its document of July 19 the union requested $50 per month in addition to the basic wages during the term of this agreement, the said premium to apply also on tankers where pump men are not carried. At the final meeting the employer offered $30 for self-unloaders but not for tankers.

Recommendation: That a premium of $30 per month be paid for self-unloaders only. This provides a differential over the SIU agreement which also covers self-unloaders only.

Clause 15 **Character of work:** (e) The union has requested in its document of July 19 that when a vessel is on the run or canalling and an engineer on regular watch is requested to perform work outside the engine room he shall, while performing the work outside, be relieved by an engineer off duty. Originally it seemed that the union wanted to be paid overtime for work outside the engine room, but now the demand has been reversed, apparently to provide overtime for the engineer who relieves rather than the engineer who is relieved. At one point it seemed that the union's main interest in

this clause was in order to be relieved of responsibility for the engine room if asked to work elsewhere, and it would appear that this problem does not often arise and that when it does the chief engineer will normally relieve.

Recommendation: That when an engineer on regular watch is requested to perform work outside the engine room he shall, while performing the work outside, either be relieved by the chief engineer or by another engineer, or he shall be relieved of responsibility for the engine room during the period of his absence therefrom.

Clause 25 **Meals, Coffee time and Lunches**: (d) The union has requested that when an engineer is required to do the supper relief the engineer shall be paid one hour overtime. Traditionally it seems that the 12 to 4 watch is relieved at 3.30 by the 4 to 8 watch and then the 12 to 4 man makes up this one half hour by relieving the 4 to 8 man at 5 for one half hour. The problem only arises for the supper meal. The engineering officers appear not to want to break up their off duty period by relieving the 4 to 8 man for supper.

Recommendation: That the watch system be modified to provide for a three and one-half hour watch from midnight to 3.30 a.m., a four and one-half hour watch from 3.30 a.m. to 8 a.m., a four and one-half hour watch from 8 a.m. to 12.30 p.m., a four and one-half hour watch from 12.30 p.m. to 5 p.m., a three and one-half hour watch from 5 p.m. to 8:30 p.m. and a three and one-half hour watch from 8:30 p.m. to midnight. Under this system the meal 1.00 p.m., and supper 4.30 p.m. to 5.30 p.m. instead of the present 5 to 6 p.m. If this system could be introduced it would enable the man whose watch ends at 5 p.m. to eat from 5 to 5.30 p.m. and the man whose watch begins at 5 p.m. could eat from 4.30 to 5 p.m. This would however seem to require the approval of the SIU, because the galley hours for supper would become 4.30 to 5.30 p.m. instead of the present 5 to 6 p.m., and there would also only be one-half hour left for the SIU to eat after ending their watch at 5 p.m. Should this solution not be feasible I recommend the maintenance of the status quo, since it appears that engineering officers' time off is not interfered with when in port so that the hardship is not as excessive as might first appear under the present system, in all likelihood. The proposal made by the union would appear to involve a substantial increased cost to the employer which might not be justified.

Clause 28 **Manning Scale**: The union has requested that all ships of 9000 tons and over and all tankers which presently carry three oilers or mechanical assistants be obliged to place an oiler or mechanical assistant on watch with the engineering officer in the engine room at all times. The original proposal required an unlicensed man in the engine room in addition to the officer for all vessels. This was then restricted to all tankers and all vessels of over 6000 tons, and has now been reduced to tankers and vessels over 9000 tons. The vessels of over 9000 tons seem to be very restricted in number, and the problem is that on these few vessels the three men in question are normally put on day work, whereas, if they were put on watch, production would be cut, as they are not allowed to work on dark watches under their collective agreement. In addition the vessels in question appear to have in the engine room a toilet, a coffee maker, and an alarm system at various stations which the engineering officer must deactivate every ten or twelve minutes, failing which someone will immediately come to see what is the matter. (It may be that sometimes an engineer will shut off the alarm system because he considers it a nuisance, but this does not seem to be relevant.) Thus on these vessels the grounds on which the engineers rely to justify their demand do not appear well founded, as the arguments which were initially made to me involved the possible need to go to the bathroom while leaving the engine room unattended, or an emergency situation such as a heart attack or accident. The demand for tankers is rather different and hard to fathom, in the light of current trends. Perhaps this demand is linked in the minds of engineering officers with the pump man problem, in the light of their demand, which I have already dealt with, requesting a premium on tankers where pump men are not carried.

Recommendation: Where an engineer is required to do the work of a pump man on a tanker, where there is no suitably qualified unlicensed man available to do this work, he shall be paid at the overtime rate.

Wages: In response to the union's desire for a flat per hour increase for all members of the bargaining unit rather than a percentage of existing wages, the employer's proposal of July 19, 1974 suggested an increase of $1.04 per hour plus 10¢ per man per day to the supplementary short term disability insurance plan, as well as 48¢ per day per job to the group life plan. In the second year of the agreement the employer offered an additional increase of 48¢ per hour. According to the employer $1.04 would have been a 28% overall increase, although some engineers would get more and some less than 28%, but apparently the engineers wanted the same dollar increase to all, not the same percentage increase. Similarly 48¢ would have been an average of 10% in the second year, says the employer. In its counter-proposal of July 19 the union was satisfied with an increase of $1 per hour in the first year (which, because of the agreed reduction to 2 categories of vessels, would still give an average of 28%, according to the employer) while the union was prepared to eliminate the proposed 10¢ contribution to the supplementary short term disability insurance plan. However, the union wanted an additional $1 increase at the beginning of the second year of the agreement. The employer countered with a verbal offer of $1 in the first year, a 50¢ increase on June 1, 1975 at the start of the second year of the agreement (apparently equal to an average 11% increase) and a further 20¢ increase on January 1, 1976 (equal to a further average of 5%, according to the employer). The parties were thus reasonably close on wages when they broke off negotiations, apparently primarily over the manning scale to which the employer felt it could not agree.

Recommendation: That wages be increased by an average of 28% in the first year of the agreement but converted into the same dollar increase for everyone, which would apparently be $1 per man; by a further average of 12% on June 1, 1975 converted into the same dollar increase per man, which would apparently work out to about 55¢ per man; and by a further average of 8%, converted into the same dollar increase per man, which would apparently work out to about 30¢ per man, on January 1, 1976.

"Me too" Clause: The union's document of July 19, 1974 contained the provision that any settlement with the Canadian Merchant Service Guild which would be more advantageous on wages, premiums, leave credits and vacation pay would automatically apply in the case of the engineers whose agreement would be adjusted accordingly. This kind of condition is full of pitfalls, and its rejection by the employer is understandable. It would seem that the only way this kind of goal can be accomplished is through joint negotiations or at least concurrent negotiations and concurrent settlements of those issues on which identical solutions are desired. Otherwise it is likely that whatever agreement is signed first will serve as the model and determine the parameters for subsequent negotiations with a different bargaining agent.

Dated at Montreal this 31st day of July, 1974.

(Sgd.) Perry Meyer,
Conciliation Commissioner.

Report of the Conciliation Commissioner, Professor Joseph C. Smith of Vancouver, appointed by the Minister of Labour to deal with a dispute involving:
Alaska Trainship Corporation (hereinafter called the "Company")
and
Seafarers' International Union of Canada (hereinafter called the "Union")
His report was received by the Minister in August.

The Conciliation Commissioner, Professor J.C. Smith, held hearings at Vancouver, B.C. on the 10th of July, 1974 and met thereafter on the 12th, 13th, 15th, 17th, 24th, and 26th of July and August 1st with the parties to conciliate the dispute.

This dispute arises from proposals for the revision of a Collective Agreement which expired on March 31, 1974.

The subject vessel was built in Japan in 1959, to the specifications of the West India Fruit & Steamship Company, for use in transporting rail car traffic between West Palm Beach, Florida and Havana, Cuba. When the vessel was introduced in Caribbean service, she was under Liberian registry and manned by a Cuban crew. As a result of the Cuban revolution and the subsequent expropriation and nationalization of American interests in 1960, together with the accompanying imposition of trade restrictions, the vessel's service was abruptly terminated and she remained out of commission until 1964. She was purchased by the Alaska Trainship Corporation, a wholly owned subsidiary of the Skinner Corporation, in 1963 with the original intent being that she be changed to U.S. Registry and operated between Seattle, Washington and Whittier, Alaska to link the Alaska railway system with other parts of the U.S. railway system. Special application to the U.S. Congress for U.S. Registry was ultimately denied and by virtue of the Jones Act, the ship not being of U.S. Registry, the owners were prohibited from operating her between U.S. ports. It was, therefore, decided to commence operations out of New Westminster, B.C., Canada, bringing the railway cars to and from such port for the purpose of loading and unloading, such method of transportation being legally permissible under the provisions of the Alaska Statehood Act. Service was accordingly inaugurated in June of 1964.

In late June of 1974, a third change of command took place by way of the ship sale by the Alaska Trainship Corporation to a principal competitor, Crowley Maritime Corporation, who own the Seattle-based Alaska Hydro-Train operating a fleet of tugs and barges transporting rail car traffic to and from Alaska.

The S.S. "ALASKA" is 520 feet in length, 5593 tons gross, 3103 tons net and has an approximate displacement of 11,000 tons. The cargo operation is highly automated and involves a roll-on/roll-off concept whereby the loading and unloading process is usually completed within twelve hours. The ship, with a speed of 18 knots, makes the 1,158 mile voyage between referenced terminals in approximately 66 hours. The vessel is participating in this trade on the basis of continuous operation throughout the year excluding approximately one week for annual overhaul and repairs.

The Union has demanded immediate parity with Northland Navigation Co. Ltd. at the A.B. level. The previous owners were running the ship at a substantial deficit. The Company denies that parity with Northland is necessarily a proper measure of a fair settlement, but has offered $100 in the first year and $100 in the second year which is equivalent to the recent Northland wage settlement. The Company points out that the previous owners had been operating the vessel at a substantial loss, and argue that the Company should not be expected to agree to a higher wage settlement than those recently negotiated, in the industry, until they have had a chance to make the operation financially sound.

The following recommendations deal only with the monetary items. Some of the non-monetary items have been agreed to, others remain to be negotiated.

My recommendations as to the terms of settlement of the monetary items are as follows:

(1) Union recognition

The Company shall contribute ten cents (10¢) per man per payroll day for the services of the Union hall.

(2) Crew equipment

(a) The Company shall put a radio aboard in the mess room.

(b) The Company shall put aboard a 16 mm. movie projector and screen.

(c) Pillows shall be renewed for all crew members.

(d) Good blankets are to be added of top grade quality.

(e) Benches shall be replaced with swivel stools with backs.

(f) The compensation when linen is not issued and changed should be changed from $2 to $3.

(3) Meals in Port

Breakfast and lunch shall be changed from $2 to $2.50. Supper shall be changed from $3.50 to $4.50.

(4) Dental Plan

A dental plan with the level of benefits of the Towboat or Northland plan shall be added as soon as possible after ratification, and no later than 30 days, the cost of which is to be borne, 50 per cent by the Company and 50 per cent by the employees.

(5) Welfare

(a) The Company shall contribute 75¢ per man per payroll day to the Seafarers' Welfare Plan on behalf of relief employees.

(b) The weekly indemnity provided by the Towboat Welfare Plan shall be increased by $60 per week, this additional cost being shared on a 50/50 basis.

(6) Statutory Holiday

Easter Monday shall be added effective in 1974.

(7) Vacations

(a) Employees with three or more years of service shall be allowed three weeks' vacation with vacation pay of six per cent (6%) of gross wages.

(b) Employees with 12 or more years of service shall be allowed four weeks' vacation with vacation pay of eight per cent (8%) of gross wages.

(8) Wages

Wages are to be increased as follows:

Effective April 1, 1974 – $125
Effective April 1, 1975 – $125

(9) Working Cargo

On watch cargo rate shall be measured for the A.B. on the Deck and Engine rate.

(10) Retroactivity

Wages, overtime and Cargo time shall be retroactive as of April 1, 1974 and shall be paid within thirty days of the signing of the Collective Agreement.

(11) Stewards' Department Penalty Meal and Coffee Break Compensation.

The flat rates shall be increased by $25 effective April 1, 1975.

(12) All other monetary items are to remain as in the old agreement.

I strongly recommend that both parties accept this report in its entirety. In my opinion it represents a substantial settlement for a company which is operating at a profit, but it is the absolute maximum which can be expected of a new owner, taking over an operation which has been losing money.

Dated at the City of Vancouver, Province of British Columbia, this 2nd day of August, 1974.

(Sgd.) J.C. Smith,
Conciliation Commissioner.

Report of the Conciliation Commissioner, Hugh G. Ladner, of Vancouver, appointed by the Minister of Labour to deal with dispute between: Alltrans Express Ltd. (hereinafter referred to as "the Company") and General Truck Drivers and Helpers Union, Local No. 31; Teamsters Local Union No. 213; Truck Drivers, Cartagemen and Building Material Employees Union, Local No. 362; and General Drivers, Warehousemen and Helpers Union, Local No. 979, (hereinafter referred to as "the Union")

His report was received by the Minister in July.

Pursuant to the provisions of Section 166(a) of the Canada Labour Code, on July 3rd, 1974 I was appointed Conciliation Commissioner with respect to this dispute.

Pursuant to my appointment I met with the parties on the 12th day of July, 1974 at the City of Vancouver, Province of British Columbia. Of the four local unions of the International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers of America jointly certified for the employees in the bargaining unit, General Truck Drivers and Helpers Union, Local No. 31 and Teamsters Local Union No. 213 represent the employees in British Columbia, Truck Drivers, Cartagemen and Building Material Employees Union, Local No. 362 represent those employees in Alberta, and General Drivers, Warehousemen and Helpers Union, Local No. 979 represent those employees in Manitoba.

The Company is a member of Transport Labour Relations, which is an organization of employers which bargains collectively on behalf of its various members and is accredited to bargain on behalf of its members covered by provincial certifications in the Province of British Columbia.

The bargaining practice adopted by the parties in the past has been that after the Master Freight and Cartage Agreement, being an agreement between Transport Labour Relations and Locals 31 and 213, has been successfully concluded, it will be used as the basis of an agreement between the Company and those two local unions insofar as the agreement affects the Company's employees in British Columbia, and only at that point will bargaining commence with Locals 362 and 979 to determine rates of pay and conditions for the Company's employees in Alberta, the Northwest Territories and Manitoba.

Transport Labour Relations and Locals 31 and 213 bargained collectively and successfully concluded the Master Freight and Cartage Agreement to be effective on January 1, 1974. The Company was represented at those negotiations as part of the bargaining committee of Transport Labour Relations.

It is the Company's position that as a result of those negotiations, and subject only to ratification by the Company's employees in British Columbia, an agreement was reached to form the basis of a Collective Agreement between the Company and the Union as in the past, and, if ratified, it was anticipated that bargaining would then take place with Locals 362 and 979 ultimately resulting in a Collective Agreement between the Union and the Company.

It is the position of Locals 31 and 213 that whatever may have been the result of the negotiations between Transport Labour Relations and those local unions, those employees they represent have not ratified any agreement and they are not bound by any agreement reached at those negotiations. Those local unions obviously now desire something more than that negotiated in the Master Freight and Cartage Agreement.

The Company is not prepared to negotiate anything further for its British Columbia employees, although it strongly desires to now negotiate with respect to those employees represented by Local 362 and 979. However these two locals do not feel they are in a position to bargain with the Company until an agreement has been concluded between Locals 31 and 213.

The situation has reached the point that the solicitors for the Company have written to the Chairman of the Union's negotiating committee stating the Company's position that there is a concluded agreement with respect to the Company's employees in British Columbia and stating that if there is any attempt to reopen negotiations or to renegotiate any of the terms of settlement applicable to the British Columbia employees, legal proceedings would be commenced. The Union's solicitors replied denying any agreement because there has been no ratification.

In these circumstances, and in the proceedings before me, it was the Company's position that it was not prepared to bargain with respect to its British Columbia employees but wishes to bargain with respect to its employees in Alberta and Manitoba.

It was the Union's position that it wishes to bargain with respect to the Company's British Columbia employees and until an agreement was concluded in that regard, it would not bargain with respect to the Company's employees in Alberta and Manitoba.

It would be inappropriate of me to discuss the merits of the position taken by either party. There is another forum for that. Both parties have sought and obtained legal advice and unless one party, or both, compromise their position with respect to this issue,

or there is a judicial determination of its merits, no further bargaining is possible.

Because of the position taken by both parties no discussion of the outstanding issues between them was possible and I am therefore unable to make any recommendations.

Dated at the City of Vancouver, in the Province of British Columbia, this 16th day of July, A.D. 1974.

(Sgd.) Hugh G. Ladner,
Conciliation Commissioner.

Report of the Conciliation Commissioner, Professor Perry Meyer of Montreal, appointed by the Minister of Labour to deal with dispute between: Canadian Lake Carriers Association and Canadian Merchant Service Guild His report was received by the Minister in July.

I was appointed on June 21, 1974 and my initial mandate would have expired on July 5, 1974. The first convenient date for the parties to meet was July 3, 1974. On that date it was agreed to temporarily suspend negotiations in this matter in order to proceed in the first instance with the other dispute in which I had been appointed concurrently, namely, the dispute between the Canadian Lake Carriers Association and the Canadian Marine Officers' Union. I reported to you on June 3, and you saw fit, in the exercise of your discretionary power, to extend my mandate to July 31, 1974. It was agreed on July 3 between the parties that the next meeting would take place on July 17, after which meeting negotiations would continue intensively commencing July 22, 1974. In fact the meeting of July 17 did not take place, because at the last minute the bargaining agent advised the undersigned that it did not wish to meet on July 17 in view of the breaking off of negotiations between the employer and the Canadian Marine Officers' Union and the refusal of the latter to attend the meeting on July 17. In view of this the next meeting which I held with the parties was on July 22, 1974, and further meetings continued on July 23, 24, and 25, 1974.

At the meetings which took place commencing July 22, 1974 considerable progress was made and agreement was reached on a large number of outstanding matters. However by July 24, 1974 it became evident that the parties were too far apart in some areas to make further progress at this stage and I therefore decided to devote the meetings of July 25 to the final presentations of the parties to the undersigned commissioner for the purpose of assisting him and providing him with information for the purpose of his report and recommendations. I therefore propose to deal below with those remaining clauses on which the parties had not yet reached agreement at the conclusion of my sittings. I should like to thank the parties for their co-operation and assistance throughout these proceedings, as they have been most helpful. They do remain somewhat far apart on certain issues, particularly in the area of wages, and this may be due in part to the kind of mandate which the members of the negotiating committee for the bargaining agent felt they had received from their members and were bound by. It is moreover possible that this mandate did not take into account recent developments such as the monetary settlement arrived at between the employer and the SIU representing the unlicensed personnel, which settlement was bound to have considerable impact on the parameters of any monetary settlement arrived at with the officers. It is also possible that the success of the negotiations under my auspices may have been impeded by the belief by one or other of the parties that this was not necessarily the final stage in negotiations, as intended by the legislator, but more probably an intermediate stage to be followed by some kind of super-mediation, perhaps under government auspices, after the filing of my report.

My recommendations in connection with the outstanding matters in this dispute are as follows:

Article 8 — Overtime:

8.3 The old clause provides for double time pay for work on a Saturday or a Sunday during sit out or lay up. The union's initial demand was for double time and one half, later reduced to maintenance of the present clause. The employer wishes to delete this clause, which would result in time and one half being paid on Saturday and double time only on Sunday.

Recommendation: The existing clause be maintained, i.e., double time on both Saturday and Sunday during sit out and lay up.

Article 17 — Premium pay:

17.1 The union originally requested $75 per month for tankers and self-unloaders over and above the basic rate. The old agreement provided for $17.76, roughly the same as that of the SIU. Under their new agreement for the unlicensed personnel, the SIU obtained $21, and the employer proposed the same figure for the officers. The union countered with $40. It should be noted that the old agreement and the new SIU agreement do no cover tankers, and the employer wishes to exclude tankers while the union's position is that tankers should be included. In my view, some differential between officers and men appears reasonable. As to "danger" premium for tankers, some cargos have low flashpoints, but black oil, like bunker C, is a safe cargo as far as the men on the ship are concerned. Also, ships may carry several different cargos in their various individual holds or tanks, so that while certain fuels with low flashpoints may warrant inclusion in the category of dangerous cargos (although no clear evidence on this point was made before

me) other cargos carried by tankers are relatively innocuous. Moreover, it may well be that the dangers with respect to lighter fuels are not as great as the union has indicated provided cargos are properly handled and provided all regulations are observed and the vessels conform to government safety requirements. Although premiums for work on tankers may exist outside Canada, I do not have, as a result of my hearings, sufficient justification to recommend acceptance of this proposal, at least at this stage.

Recommendation: That $30 per month be payable to deck officers on self-unloaders only.

Clause 17.2: The union had originally asked for a premium of $75 per trip while carrying pitch, cement, bentonite, cement clinkers, TNT caps, sulphur, drums of gasoline, and radioactive materials. This was later reduced to $40 per clean out per man. In its new agreement the SIU obtained $30 per clean out per man if the man is employed in cleaning out holds containing cement, cement clinker, sulphur or pitch only. Although the actual work may be done by the men this must be supervised by the officer and it is probably reasonable for him to obtain so-called "dirty money" as well, although his case is somewhat weaker than that of the men under his orders who do the actual work. In some cases the officer may do most of his supervising from the deck, in others he may make only brief appearances in the hold.

Recommendation: That $30 per clean out be paid to officers supervising the cleaning out of holds containing cement, cement clinker, sulphur or pitch.

Article 26 — Officers' duties:

26.1(a) The union demanded that when a pump man is not carried on tankers, officers required to do pump man's work should be paid at the applicable overtime rate for such work. The previous clause provides that an officer shall not be required to perform any duties usually assigned to unlicensed crew members, which the employer wishes to maintain. Some ships carry pump men and others do not. Where there is no pump man the employer feels that the mate should direct an available unlicensed man who would actually do the pump man's work under the mate's supervision. In some cases there is apparently no qualified unlicensed men available, or for other reasons it is simpler for the mate to operate the valve etc. himself. The mates would prefer pump men to be carried on all tankers, failing this, they want overtime pay for doing this work.

Recommendation: That where the tanker does not carry a pump man, and where, in the opinion of the mate responsible for the operation, there is no available unlicensed man who is suitably qualified, thus obliging the mate to perform the pump man's duties rather than to direct the work of an unlicensed man, the mate shall be paid at the overtime rate for this work.

Clause 33 — Family Security Plan: The employer offers to increase contributions from $1 to $2 per day of employment. The union claims it needs $2.33 cents per day to cover the kind of benefits it would like to provide its employees. Therefore the union requests .25¢ per hour, which, taking into account overtime, would give them approximately what they require, in their estimation. However, the employer's offer represents a 100% increase over existing contributions, and this particular plan is considerably more costly, and involves substantially higher contributions by the employer than the SIU plan which covers the unlicensed personnel and the engineers.

Recommendation: That the employer's contribution be $2 per day of employment.

Clause 35 — Proficiency Pay:

35.1(a) Here the union is requesting that when an officer in charge of a vessel between Tibbetts Point and St. Lambert lock, except when the vessel is at anchor or not under way, he shall be paid $15 per hour on watch and $15 per hour plus the applicable overtime rate while off watch. The employer has offered $4 per hour for vessels of 12000 tons and over and $3.50 for vessels under 12000 tons. This is a compulsory pilotage area for salt water vessels. The present premium being paid to the mates is $3 per hour for vessels of 18000 tons or more and $2.50 per hour for less than 18000 tons.

Recommendation: That the premium be $5 per hour for vessels of 12000 tons and $4 per hour for vessels under 12000 tons.

35.1(b) The union asks that no mates perform any pilotage duties east of St. Lambert lock on vessels subject to compulsory pilotage district. The employer wishes to maintain the principle of voluntary pilotage, but the mates envisage subtle pressures to force unwilling officers to pilot vessels in this area. After much discussion I think the parties have agreed on the principle that no deck officer should be forced to pilot a vessel in a compulsory pilotage area nor to obtain a pilotage certificate for such an area, while preserving the principle of voluntary pilotage.

Recommendation: It shall be the absolute right of any mate to refuse to perform pilotage duties in any compulsory pilotage area and to refuse to apply for a pilot's certificate, whether or not he has ever performed pilotage duties in such area at any time, and without the need for giving any reason whatsoever. Any such refusal to apply for or obtain a pilot's certificate or to pilot a vessel shall not subject a mate directly or indirectly to any penalty or disadvantage whatsoever.

Clause 37 — Effective date:

Recommendation: Assuming that an agreement is forthcoming in the near future, the clauses relating to basic wages, overtime, leave credits and statutory holidays be retroactive to June 1, 1974 when the previous agreement expired.

New Clause 1

(a) By this clause the union requests a bonus of 25% for work done between December 15 and April 15. This is a new demand for a premium for winter work. At the moment the problem does not appear to be widespread although it could become an important issue in the future.

Recommendation: That the status quo be maintained.

(b) This requests a similar bonus of 25% for vessels operating north of the strait of Belle Isle. The principle is similar to that of the winter bonus, although there is probably more hardship and isolation involved on the northern routes. Although the union's position is understandable, this is a new demand, not found in the recent SIU agreement, and it has broad implications for other bargaining units as well. It does not appear the appropriate time for consideration of this demand.

Recommendation: That the status quo be maintained.

New Clause 2 — Legal Defence Insurance: The union has requested $1.25 per month for each officer. Up to now this has been paid by the union.

Recommendation: That the status quo be maintained.

New Clause 4 — O.H.I.P. Premiums: The union requests that the company be required to pay full O.H.I.P. premiums for officers and their families who are residents of Ontario. O.H.I.P. premiums amount to $22 per family per month and $11 per individual per month. On the other hand in Québec the maximum contribution made would be $125 per annum because of the different method of financing Medicare which involves employer as well as employee

contributions through taxes. A differential for Ontario residents could be construed as a benefit to them over those payable to Québec residents and thus inequitable. Certain consequences resulting from place of residence are inevitable and it does not seem appropriate at this time to provide an additional benefit for Ontario residents. A similar problem would exist, for example, in the case of civil servants working in Ottawa, some of whom reside in Hull, if those residing in Ottawa requested that their insurance premiums be paid by their employer because they are higher than those contributions paid by those employees living in Québec.

Recommendation: That the status quo be maintained.

New Clause 5 — Cost of Living Adjustments: This demand is obviously coupled with the wage package and they need to be considered jointly. The new SIU agreement contains no cost of living clause, and it does not appear appropriate to introduce this clause for the mates at the present time, any protection to be given to them being more appropriately included in a substantial increase in wages.

Recommendation: Maintenance of status quo.

Clause 14 — Wages: The union originally requested a conversion of the present monthly basic rate to an hourly rate based on 172 hours per month instead of the present 240 hours per month. The employer countered with a formula similar to that worked out for the SIU, involving an increase in the basic hourly wage rate and the overtime rate, as well as the accumulation of leave pay per hour worked. Under the employer's proposal made on July 23, 1974 (Appendix "A") the increase would amount to approximately 28% for the first year of the agreement, an additional 10% as of June 1, 1975, and an additional 5% as of January 1, 1976 until the expiry of the agreement on May 31, 1976. The union's counter-proposal of July 24, from which it refused to budge (Appendix "B") involved an overall increase of between 40 and 50% during the first year of the agreement and between 13 and 20% at the beginning of the second year of the agreement. These increases take into account the new agreed tonnage classification which will upgrade many officers by substituting two categories of vessels for the former four categories, i.e., the substitution of vessels under 12000 tons and 12000 tons or over for the former under 6000 tons, 6000 tons to 12000 tons, 12000 to 18000 tons, and 18000 tons and over. Both parties refused to budge from these irreconcilable positions. The employer's final offer was much closer to the settlement worked out in the recent agreement with the unlicensed personnel represented by the SIU. There are obviously factors distinguishing the officers from the unlicensed personnel whose agreement also came into force somewhat earlier. However, even taking into account those special factors, and the need for maintaining a reasonable differential in wages between officers and men, nevertheless the recently concluded settlement is an important factor to be taken into account in determining what would be a reasonable wage increase for the officers.

Recommendation: That the new schedules of wages provide for an increase of 28% in the first year of the agreement, 12% at the beginning of the second year of the agreement, and 8% on January 1, 1976.

Dated at Montreal, this 31st day of July, 1974.

(Sgd.) Perry Meyer,
Conciliation Commissioner.

14. WAGES

(A) SCHEDULE OF WAGES IN EFFECT DURING THE FIRST YEAR OF THE AGREEMENT.

	Basic hourly wage rate	Overtime Rate per hour worked Sat. & in excess of 8 hours Monday - Friday	Overtime Rate per hour worked Sunday	Leave Pay per hour worked
12,000 tons & over				
1st mate	$5.27	$7.91	$10.54	$0.88
2nd mate	4.53	6.80	9.06	0.76
3rd mate	4.26	6.39	8.52	0.71
4th mate	4.12	6.18	8.24	0.69
Under 12,000 tons				
1st mate	5.07	7.61	10.14	0.85
2nd mate	4.47	6.71	8.94	0.75
3rd mate	4.24	6.36	8.48	0.71

(B) SCHEDULE OF WAGES IN EFFECT JUNE 1, 1975, TO DECEMBER 31, 1975.

12,000 tons & over				
1st mate	5.80	8.70	11.60	0.97
2nd mate	4.98	7.47	9.96	0.83
3rd mate	4.69	7.04	9.38	0.78
4th mate	4.53	6.80	9.06	0.76
Under 12,000 tons				
1st mate	5.58	8.37	11.16	0.93
2nd mate	4.92	7.38	9.84	0.82
3rd mate	4.66	6.99	9.32	0.78

(C) SCHEDULE OF WAGES IN EFFECT JANUARY 1, 1976, TO MAY 31, 1976.

12,000 tons & over				
1st mate	6.06	9.09	12.12	1.01
2nd mate	5.21	7.83	10.42	0.87
3rd mate	4.90	7.35	9.80	0.82
4th mate	4.74	7.11	9.48	0.79
Under 12,000 tons				
1st mate	5.83	8.75	11.66	0.97
2nd mate	5.14	7.71	10.28	0.86
3rd mate	4.87	7.31	9.74	0.81

COUNTER PROPOSALS SUBMITTED BY THE CANADIAN MERCHANT SERVICE GUILD TO THE CANADIAN LAKE CARRIERS ASSOCIATION ON JULY 24, 1974

14. WAGES

(A) SCHEDULE OF WAGES IN EFFECT DURING THE FIRST YEAR OF THE AGREEMENT. JUNE 1, 1974 TO MAY 31, 1975.

	Basic hourly wage rate	Overtime Rate per hour worked Sat. & in excess of 8 hours Monday Friday	Overtime Rate per hour worked Sunday	Leave Pay per hour worked
12,000 tons & over				
1st mate	$5.83	$8.75	$11.66	$0.97
2nd mate	5.06	7.59	10.12	0.85
3rd mate	4.77	7.16	9.54	0.80
4th mate	4.63	6.95	9.26	0.77
Under 12,000 tons				
1st mate	5.62	8.43	11.24	0.94
2nd mate	4.99	7.49	9.98	0.83
3rd mate	4.75	7.13	9.50	0.79

(B) SCHEDULE OF WAGES IN EFFECT JUNE 1, 1975, TO MAY 31, 1976.

12,000 tons & over				
1st mate	6.63	9.95	13.26	1.11
2nd mate	5.86	8.79	11.72	0.98
3rd mate	5.57	8.36	11.14	0.93
4th mate	5.43	8.15	10.86	0.91
Under 12,000 tons				
1st mate	6.42	9.63	12.84	1.07
2nd mate	5.79	8.69	11.58	0.97
3rd mate	5.55	8.33	11.10	0.93

THESE FIGURES ARE BASED ON THE ABSOLUTE INCLUSION OF THE COST OF LIVING ADJUSTMENT CLAUSE.

Report of the Conciliation Commissioner, Hugh G. Ladner, of Vancouver, B.C., appointed by the Minister of Labour to deal with a dispute involving:

Canadian Freightways Limited, Calgary, Alberta;

Loiselle Transport Limited, Vancouver, B.C.; and

Millar and Brown Limited, Cranbrook, B.C.,

and

General Truck Drivers and Helpers Union, Local No. 31,

Teamsters Local Union No. 213,

General Teamsters Local Union No. 362,

General Drivers, Warehousemen and Helpers, Local Union No. 979 and

Chauffeurs, Teamsters and Helpers Local Union No. 395.

His report was received by the Minister in July.

Pursuant to the provisions of Section 166(a) of the Canada Labour Code, I was appointed a Conciliation Commissioner with respect to the above-noted dispute on July 3rd, 1974.

Pursuant to my appointment I met with the parties on the 11th day of July, 1974 at the City of Vancouver, Province of British Columbia. The Union is five local unions which are jointly certified for the employees of each of the three Companies, which in turn are bargaining together for the renewal of what has been called the Master Freight Agreement.

General Truck Drivers and Helpers Local Union No. 31 and Teamsters Local Union No. 213 represent those employees of the Companies who are in British Columbia and the Yukon, General Teamsters Local Union No. 362 represents those employees in Alberta and The Northwest Territories, General Drivers, Warehousemen and Helpers, Local Union No. 979 represents those employees in Manitoba and Chauffeurs, Teamsters and Helpers Local Union No. 395 represents those employees in Saskatchewan.

At the risk of over-simplifying the history of this dispute, essentially what has happened is that in the course of collective bargaining the Companies made a proposal contingent upon it being recommended by each of the five local unions involved. With the exception of Local 31, all local unions agreed to do so. Notwithstanding that the Companies' proposal was thereby withdrawn from the table because Local 31 refused to recommend it, Locals 213, 362, 979 and 395 took the Companies' proposal back to their membership which approved it.

Local 31 was seeking an improvement in three areas. These were:

1. An additional 15¢ per hour for hourly paid employees in the Vancouver area when driving tractor trailer units having a capacity of over 8,000 lbs. GVW.
2. An additional increase for hourly paid employees in the South Peace River Block on July 1, 1975 to close the gap toward parity with the rest of British Columbia.
3. An improved sick leave formula for employees in the Vancouver area.

The Companies have since made firm their earlier proposal and have indicated a willingness to negotiate the three areas of improvement originally sought by Local 31.

However Local 31's demands have substantially increased since then and Local 31 is now joined in those demands by Local 213, notwithstanding the fact that those employees represented by Local 213 had earlier approved of the Companies' proposal. However it is not joined by Locals 362, 979 and 395 which are prepared to conclude an agreement on the basis earlier negotiated.

Attached to this report and marked Schedule 1 is a copy of the agreement that was earlier proposed by the Companies and they are still prepared to accept it (indeed they are unwilling to consider any improvement). It is the same agreement that was voted upon and approved by the membership of Locals 213, 362, 979 and 395. Locals 362, 979 and 395 are still prepared to accept it. Locals 31 and 213 are prepared to accept it as the basis for an agreement subject to the resolution of the areas of improvement set out below.

I therefore recommend, subject to the amendments I recommend below, that the form of agreement attached as Schedule 1 be adopted as the agreement between the parties.

I will now deal with each of the areas of improvement sought by Locals 31 and 213 with my recommendations with respect to each:

1. The Union seeks the same mileage rate and work time rate paid in the Yukon as far South as Fort Nelson and Cassiar. Essentially this means an improvement to that found in Schedule 1 in the mileage rates South of Watson Lake to Fort Nelson and Cassiar as found in Appendices A and A1.

The Companies refuse to consider any improvement in this area.

I recommend one rate for North of Dawson Creek thereby amalgamating the rates paid for the Yukon territory North of Watson Lake, and north of Dawson Creek to Watson Lake, as follows:

(a) Sleeper teams north of Dawson Creek —

January 1974	July 1974	January 1975	July 1975
20¢	21¢	22¢	22.3¢

(b) Single-man operation north of Dawson Creek —

January 1974	July 1974	January 1975	July 1975
18¢	18.5¢	19.8¢	20.2¢

2. The Union sought parity between the South Peace River Block and the rest of British Columbia.

In past agreements, rates for the South Peace River Block, described as "North of Highway 16 in B.C." has been aligned with Alberta. In past agreements there has also been a general trend toward parity between Alberta and British Columbia in the same way that there has been a general trend toward parity throughout all areas covered by the agreement. However the Union now seeks to advance the pace toward parity for the South Peace River Block and separate it from Alberta.

There is included in Schedule 1 a 20¢ per hour advance toward parity with British Columbia for those employees in Alberta, Northwest Territories and the South Peace River Block. Fifty-five cents per hour is required to meet parity.

The Companies have resisted any further improvement.

I recommend that the rates of pay hourly paid employees in the South Peace River Block, described in the agreement as "North of Highway 16 in B.C.," be determined separately from the rates of pay for those employees in Alberta and the Northwest Territories in Appendix B of Schedule 1 and that an additional 5¢ per hour be paid in the last increment in July 1975 over and above that provided in Schedule 1.

3. The Union seeks a general across-the-board increase at $1 per

hour in each year of the agreement and a cost-of-living escalator clause providing for a 1¢ per hour wage adjustment for hourly paid employees and a .25¢ per mile increase for employees paid on a mileage basis for every 3 point increase of the Consumer Price Index.

Schedule 1 basically provides a 70¢ per hour across-the-board increase in the first year and a 60¢ per hour across-the-board increase in the second year.

I have considered all of the agreements recently negotiated in this industry that were referred to me by both parties, and the fact that Locals 362, 979 and 395 have not sought an increase over that already negotiated. I also note again that it was agreed by all parties that there is a general trend toward parity for all employees represented by the five local unions involved, and I cannot overlook the fact that the membership of Local 213 has already indicated its willingness to accept the general wage increase already negotiated.

I fully recognize the spiralling cost of living and the fact that the rate of inflation has, if anything, accelerated since the wage package contained in Schedule 1 was negotiated. However it seems to me that to now provide a further increase and a cost-of-living escalator clause only for those employees in British Columbia and the Yukon would be to build inconsistencies into the agreement and reverse the trend toward parity, to say nothing of a serious risk of further fractionalizing the bargaining unit.

I therefore recommend no general wage increase over and above that contained in Schedule 1.

4. The Union sought sick leave provisions in the same terms as in the B.C. Master Freight and Cartage Agreement.

The essential difference between the provisions for sick leave contained in Schedule 1 and in the B.C. Master Freight and Cartage Agreement is that in the former an employee does not become eligible until he has completed 7 days of absence and does not receive any pay for the first day of absence, whereas under the latter an employee becomes eligible after three days of absence and is paid for one half of the first day.

I understand that this demand from the Union originally related only to employees in the Vancouver area, but it is now sought throughout British Columbia and the Yukon.

I recommend that Schedule 1 be amended to include a sick leave provision for Vancouver Area employees only, identical in terms to that negotiated in the B.C. Master Freight and Cartage Agreement.

5. The Union sought a subsistence allowance retroactive to January 1, 1974 on the following basis:

Single man operation — $10 per day

Sleeper teams north of Dawson Creek — $9 per day in 1974 and $10 per day in 1975.

Sleeper teams in the remaining areas of British Columbia — $8 per day in 1974 and $9 per day in 1975.

The Companies were not prepared to offer anything further than that contained in Schedule 1 which includes a $1 per year increase in each year of the agreement, but without any retroactivity. The Companies were not prepared to consider making this provision retroactive because of the difficulty and labour involved in ascertaining each employees' eligibility.

I recommend that single man operations be paid a subsistence allowance as follows:

Single man operations — all areas

January 1974	July 1974	January 1975
$9.00	$9.50	$10.00

Sleeper teams — north of Dawson Creek

January 1974	July 1974	January 1975
$8.00	$8.50	$9.00

and the rest of British Columbia —

January 1974	July 1974	January 1975
$7.00	$7.50	$8.00

However I recommend that no retroactive subsistence allowance shall be payable to any employee until a detailed claim has been submitted on his behalf.

6. The expired agreement provided that after a line driver in a single man operation had worked 10 hours in any one day, he would thereafter be paid his mileage rate and one-half his work-time rate. Schedule 1 provided that he would be paid his mileage rate and his full work-time rate in those circumstances.

The Union now demands that that provision be made retroactive to January 1, 1974.

I so recommend, but with the proviso as above, that no retroactive pay shall be payable to an employee until a detailed claim has been submitted on his behalf.

7. Some improvements had been negotiated for the annual vacation provisions and are included in Schedule 1. However Locals 31 and 213 seek further improvements by demanding five weeks after 15 years of service and six weeks after 20 years of service and an improvement of 2% in addition to the percentage specified for the amount of wages to be paid to the employee for his vacation period. They also seek a provision that would entitle employees to take their vacation all at once if so desired. This latter demand affects only Vancouver based employees whose vacations by Appendix B1 in Schedule 1 are determined by the B.C. Master Freight & Cartage Agreement. All other employees are and have been at liberty to take their vacations all at once insofar as seniority permits.

If the same vacation provisions are applicable to Vancouver based employees as are applicable to all other employees covered by the agreement, they would have the same vacations as permitted elsewhere and those with greater seniority would be entitled to take all of their vacation in one period. Therefore while I do not recommend a general improvement in the vacation package, I do recommend that the same vacation provision applicable elsewhere also apply to Vancouver based employees. This can be simply provided by amending Schedule 1 by deleting the reference to vacations in Appendix B1 and deleting the words "(excluding Vancouver, B.C.)" in Article 8.

8. The Union sought an additional differential of 15¢ per hour for drivers driving vehicles having a gross vehicle weight of over 80,000 pounds. Such provision is found in the B.C. Master Freight & Cartage Agreement.

Originally the Union restricted this demand to Vancouver based employees.

The Companies had indicated a willingness to pay the differential only if the load being carried produced an actual gross vehicle weight of over 80,000 pounds. It seems to me that such a provision would be unworkable and, if not lead to abuse, certainly would precipitate further disputes and grievances.

I recommend that Appendix B1 be amended to include a provision allowing an additional 15¢ per hour for hourly paid employees when driving vehicles having a capacity in excess of 80,000 pounds GVW.

9. Schedule 1 provides only one classification for Dockmen and P & D drivers except for those based in Vancouver and for those employees there are three classifications being "Dockmen", "P & D drivers (straight truck)," and P & D drivers (semi-trailer)." The Union seeks to reduce these three classifications to two classifications to remove some anomalies in the operation of the agreement.

Both parties agree that there are some problems and some unfairness with respect to some employees, but the parties are not in agreement as to how the problem should be resolved. This seems to

be one of those situations to which there is no solution which is going to be fair to all employees involved. It seems to me that the best solution is to retain the existing classifications but provide for an additional 5¢ per hour increase over and above that specified in Schedule 1 for "P & D drivers (semi-trailer)" in Appendix B1 and an additional 5¢ per hour for British Columbia employees classified as "Dockmen and P & D drivers" in Appendix B, and I so recommend.

10. The Union demanded full dental coverage for employees and all dependents at no cost to the employee.

A substantial improvement in dental coverage had already been negotiated and is found in Schedule 1.

To accede to the Union's demand would be to provide a very enhanced benefit package for B.C. employees at the expense of the employees elsewhere; would provide a different cost-sharing formula for dental coverage than all other benefits provided under the health and welfare plan included in Schedule 1, and would present a serious risk that it may not be possible to find an insurance carrier who would provide coverage upon the terms demanded by the Union. It is also a most expensive item for the Companies.

I am aware of the dental coverage provision negotiated by Teamsters Local 464 but that involves a totally different industry and I do not think that any fair comparison can be made between this industry and that.

I recommend no change in this regard to that found in Schedule 1.

11. An anomaly seems to have crept into the agreement with respect to Mechanics without trade cards in Vancouver. This would appear to have resulted from an oversight by both parties.

The Union now demands that Mechanics without trade cards in Vancouver be increased on the same basis as hourly rated employees.

In accordance with the Union's submission I recommend an amendment to Schedule 1 by including the words "other than Vancouver based employees" after the classification "Mechanics without Trade Cards (or licences)" in Appendix B, Section 2(b)(v) and that the classification "Mechanics without Trade Cards (or licences)" be added to Appendix B1 and that those employees be paid $6.50 per hour as of January 1974 and $7.10 per hour as of January 1975.

12. Prior agreements between the parties have provided that employees working in the Yukon Territory be paid the same rates as those employees covered by an agreement negotiated between Local 31 and the British Yukon Navigation Company Limited, although the conditions otherwise are those negotiated between these parties.

The Union now demands that all conditions negotiated in the agreement with the British Yukon Navigation Company Limited apply to employees in the Yukon Territory, and in addition wants to be paid the rates negotiated by these parties if they are greater than the rates provided in the agreement with the British Yukon Navigation Company Limited.

It seems to me that this is an inappropriate time for the Union to bring forward this demand and I make no recommendation with respect to it.

Dated at the City of Vancouver, in the Province of British Columbia, this 16th day of July ,A.D. 1974.

(Sgd.) Hugh G. Ladner,
Conciliation Commissioner.

ARTICLES OF AGREEMENT SCHEDULE 1

THIS AGREEMENT entered into this _____ day of _____ 1974, shall be in force and effect as hereinafter particularly specified.

BETWEEN:

CANADIAN FREIGHTWAYS LIMITED,
LOISELLE TRANSPORT LIMITED and
MILLAR AND BROWN LIMITED

(Hereinafter referred to as the "Company") OF THE FIRST PART.

AND

GENERAL TRUCK DRIVERS AND HELPERS
LOCAL UNION NO. 31
TEAMSTERS UNION LOCAL NO. 213
GENERAL TEAMSTERS LOCAL UNION NO. 362
GENERAL DRIVERS, WAREHOUSEMEN AND HELPERS
LOCAL UNION NO. 979; AND
CHAUFFEURS, TEAMSTERS AND HELPERS
LOCAL UNION NO. 395.

(Hereinafter referred to as the "Union") OF THE SECOND PART.

ARTICLE NO. 1 – SCOPE OF THIS AGREEMENT

Section A. This Agreement shall apply to all employees as enumerated.

Section B. All employees working for the Company as outlined in Article No. 2, Section A. (1), and as enumerated in the following Appendices hereunto annexed and forming part of this Agreement:

Appendix "A" – Covers Rates of Pay for all Single Man and Sleeper Cab Drivers – Canadian Freightways Limited and Loiselle Transport Limited.

Appendix "A-1" – Covers Rates of Pay for all Single Man and Sleeper Cab Drivers – Millar and Brown Limited.

Appendix "B" – Covers Hours of Work, Overtime Provisions and Rates of Pay for all Short Line, City Pickup and Delivery Drivers, Dockmen, Mechanics and Maintenance Shop Crews in Alberta, Saskatchewan, Manitoba, British Columbia (excluding Vancouver area), Yukon Territory and the Northwest Territories.

Appendix "B-1" – Vancouver based employees covering Pickup and Delivery Drivers and Dockmen within the area of one hundred (100) miles outbound from the base of operations, including Mechanics and Maintenance Shop Crews.

Appendix "C" – Covers the Health and Welfare Plan.

ARTICLE NO. 2 – UNION SECURITY

Section A. (1) The Company agrees to recognize the Union as the sole collective bargaining agent for all employees of the Company in the work categories falling within the area jurisdiction of this Agreement, save and except as otherwise provided herein.

(2) It is recognized by this Agreement to be the duty of the Company and of the Union and of the employees to fully co-operate individually and collectively for the advancement of conditions.

(3) The Union, as well as the members thereof, agree at all times as fully as it may be within their power, to further the interests of the trucking industry.

(4) The Union undertakes that no terms which are more advantageous than those contained herein will be extended to or agreed with any competitor of the Company, without first notifying the Company of such terms.

Section B. It is agreed that as a condition of employment, each employee shall within seven (7) days of commencing employment hereunder, become and remain, a member in good standing of the Union.

Section C. (1) Each new employee and Owner-Operator when hired by the Company, will be informed by the Company, that he is to sign an Authorization Card authorizing the Company to deduct from his earnings Union Initiation Fees, Union Dues and/or other assessorial charges as levied against him by the Union and so indicated on the monthly check-off list as provided by the Union to the Company. The Company will remit same to the Union and Dues will be payable one month in advance.

(2) Authorization Cards shall be furnished by the Union and shall be in accordance and as prescribed by the applicable Labour Relations Act.

(3) The Company shall furnish to the Union, a list of new employees and Owner-Operators taken into employment by the Company stating the initital date and location, within fourteen (14) days of their being hired and all such employees and owner operators will be added to the current Check-Off List.

(4) When additional employees are required within an area which is serviced by a permanently established and operating Union Hiring Hall, the Company shall extend to the Union, first opportunity to refer Teamster members for employment provided they meet the Company's qualifications and requirements.

When additional employees are required within an area which is not serviced by a permanently established and operating Union Hiring Hall, the Company will extend preferential hiring consideration to Union Members who meet the Company's requirements and who apply for employment.

Section D. (1) Every motor vehicle and every piece of mobile equipment used by the Company, categories of which are set out in Appendices "A" and"B," whether owned by or hired by the Company or leased to or by it or howsoever, shall be operated by employees of the Company, Members of the Union, unless:

a. Such Owner (Lease) Operator becomes and remains a Member of the Union in good standing **and**

b. Receives equivalent wages and benefits as provided herein to employees of the Company in addition to an agreed upon equipment rental as arranged between himself and the Company.

(NOTE: Whenever the term "Owner (Lease) Operator" is used in this Section, it means an Owner-Operator who drives his own equipment).

c. In no event shall there be more than one Owner-Operator on a truck.

d. Any normal increase of over-the-road equipment in a Branch will be guided by a principle of adding one Company unit for each Owner-Operated Unit added. Exception being, when increase of equipment is on a short term basis of not more than six (6) months duration or for some period longer than six (6) months as may be agreed upon between the parties.

In the event the Company reduces the number of highway units within a branch, the Owner Operator Unit shall be the first laid off.

The "Branch" as referred to herein is intended to mean within the Local Union's jurisdiction.

e. Replacing of over-the-road equipment for any reason will be guided by the principle that a Company Unit will be replaced by a Company Unit and a Lease Unit may be replaced by another Lease Unit, or, at the Company's option, a Company unit.

f. Provided that the operation of the principle in this Section shall not have the effect of reducing the entitlement of the Company to the ratio of Lease vehicles to Company-owned vehicles which existed at the date of May 9, 1972.

g. The Company will not use Owner-Operators in City P&D work where the Company maintains an established Terminal. However, the Company may utilize rented or dry lease city pickup and delivery equipment provided it is operated by Company employees covered under the conditions of this Agreement, and does not have the effect of reducing the number of P&D equipment at that terminal. Payment for truck rental or dry lease equipment to be paid by separate cheque.

This clause will not apply to agency points where the volume of freight will not maintain terminal services.

(2) Provided Section D. (1) is complied with, the Company may use –

a. Single Trip Lease.

b. Provided that qualified, regular Company City Drivers are available, or have reported for work at their designated starting time the hours of 0001 and 0901 and that the Company has mechanically fit, suitable regular assigned to City Pickup and

Delivery service equipment available, no outside cartage nor drayage will be purchased by the Company to commence such cartage or drayage on that day, at that terminal prior to 0900.

However in case of book-off or employee absenteeism on any day by any City Driver at that terminal, this paragraph shall have no application at that terminal on that day.

c. Equipment or men they deem necessary in retrieving wrecks, road failures, or road tests.

d. As provided in a. and b., the Company will give preference to Union carriers or operators when they are available and satisfactory.

(3) Except as otherwise herein provided, all storing and handling of merchandise or other goods or materials shall be carried on by employees of the Company, Members of the Union, where such work is under the control of the Company.

(4) The Company shall not sell or lease equipment which has the effect of evading the terms of this Agreement.

Section E. (1) All newly hired employees for regular employment shall be considered as probationary employees for the first 30 calendar days from date of hire.

There shall be no responsibility on the part of the Company respecting employment of probationary employees should they be laid off for lack of work or discharged during the probationary period.

A regular employee shall be considered such an employee of the Company when:

a. He has completed his probationary period.

b. He makes himself available for full time employment or as he may be needed.

c. He has no other outside employment which will in any manner interfere or reflect upon his employment with the Company.

d. He has fully qualified in regards to the Company-approved Physical Examinations or other normal Company requirements.

(2) a. All persons employed to supplement the regular work force to provide additional help on an incidental basis to cover peak work periods, shall be classified as part-time employees.

b. Upon completion of One Hundred and Twenty-eight (128) hours within any thirty (30) calendar days, an employee shall become a regular employee and shall be entitled to all rights and privileges of this Agreement and his seniority shall be calculated from the first day of that thirty (30) calendar day period.

c. Part-Time employees shall be carried on a regular Part-Time employees separate seniority list in the branch or division.

d. Be given first opportunity to qualify as regular employees as openings become available and will then be placed at the bottom of the regular employees seniority list providing they meet all Company qualifications and requirements.

e. Not drive trucks or other mobile equipment except when regular employees are unavailable for duty.

f. Not be called in to work outside an established shift if regular employees are available and willing to accept that work.

(3) A working agent at small and/or remote Company maintained Terminals shall be considered as such:

a. He shall be an employee of the Company.

b. He shall be used by the Company only at such small and/or remote locations where the Company's volume will not support, and the Company does not employ more than four (4) employees including the Working Agent.

c. He shall be a Member of the Union, but otherwise excluded under the terms and conditions of this Agreement except that the monthly or annual remuneration or benefits paid to him by the Company shall be in an amount resulting in not less than he would otherwise receive under the terms of this Agreement.

ARTICLE NO. 3 – GENERAL

Section A. (1) The Union recognizes the exclusive right of the Company to manage and direct the Company's business in all respects in accordance with its commitments, and to alter from time to time rules and regulations to be observed by employees, which rules and regulations shall not be inconsistent with this Agreement.

(2) The Company shall always have the right to hire and to discipline, demote or discharge employees for proper cause.

(3) The Company will provide bulletin boards at its terminals on which to post changes in Company rules and regulations and on which the Union may post necessary notices to its members. All Union Notices are to be dated and signed by an Official of the Union.

(4) Nothing contained in this Agreement will be deemed to obligate the Company to continue to operate any of its plants, properties or any of its parts thereof.

(5) An employee will receive a copy of any disciplinary record placed on his file including written reprimands with a copy to the Union.

(6) The necessity of, selection and classification of a Leadman (Chargehand) shall be at the discretion of the Company and he shall be defined as:

An employee who shall direct the work of other employees while performing the same work himself. He shall not have the authority to directly hire, fire, suspend or discipline employees.

He shall be a member of the Union.

Seniority in the unit shall prevail for layoff purposes.

Section B. (1) The Parties hereto recognize all the clauses and stipulations of this Agreement are subject to grievance procedures except as otherwise provided herein.

(2) The Union shall appoint or elect Shop Stewards from regular employees who have completed their probationary period and shall notify the Company in writing of the appointment or election. The Company shall only recognize such Shop Stewards when notified in writing by the Union and shall not discriminate against them for lawful Union activity.

Shop Stewards will suffer no loss of regular pay when processing grievances under Steps 1 and 2 of the Grievance Procedure.

The Company will notify the Union prior to the dismissal of any Shop Steward.

(3) The Company shall allow time off without pay to any man who is serving on a Union Committee or as a delegate providing all requests for time off are reasonable and do not interfere with the proper operation of the business and provided forty-eight (48) hours written notice is given to the Company by the Union specifying the length of time off.

(4) Authorized Agents of the Union will request and have access to the Company's establishment during working hours for the purpose of investigating conditions related to clauses in this Agreement and shall in no way interrupt the Company's working schedule.

(5) This Agreement shall be binding upon the Parties hereto or their successors, administrators, executors and assigns. In the event an entire business or any part thereof is sold, leased, transferred or taken over by sale, transfer, lease, assignment, receivership or bankruptcy proceedings, such business or any part thereof shall, without recourse to the vending Company, continue to be subject to the terms and conditions of this Agreement for the life thereof.

(6) It shall be a violation of this Agreement for the Company to sell, lease or rent any vehicular equipment owned by the Company to an employee.

Section C. (1) Supervisors and other employees of the Company outside the scope of this Agreement shall not perform the regular duties of employees within the Bargaining Unit.

(2) In the event that the Company should require any employee covered by this Agreement to engage in work on construction in the confines of a construction site coming within the jurisdiction of another Union which has established more favorable wage rates than those herein contained, such employee shall be entitled to be paid at the more favorable wage rate while he is so engaged.

ARTICLE NO. 4 – SENIORITY

(1) The principle of seniority shall be maintained in the reduction and restoration of the working force, providing the senior man is capable of performing the remaining job.

Any employee wishing to transfer from one unit to another unit, will make application to the Company in writing and will be given preference over a new applicant provided he can meet the Company qualifications.

When an employee transfers from one unit to another unit, he may retain his seniority in his former unit for a maximum of thirty (30) days.

(2) a. On the linehaul, seniority shall prevail for the purpose of bidding, but there will be no job bumping priveleges. All new runs or vacancies on existing runs are subject to seniority and shall be posted in a conspicuous place for seven (7) days for bids.

b. In the city and maintenance shop work, seniority will prevail for the purpose of shift preferential, new jobs or vacancies, provided the employee is qualified, but there shall be no job bumping privileges, except in the case of layoff an employee may exercise his seniority over a junior employee in the same unit. All vacancies will be posted for bid for forty-eight (48) hours.

c. In all bids as referred to in this Section, the Company will designate the successful bidder. Except when the employee is on vacation or on days off or otherwise prevented from bidding and when he returns he will be given an opportunity to bid.

(3) In all Provinces and Territories, seniority shall be branch wide and three (3) separate groups or units for seniority purposes shall be recognized.

Unit #1 – Line Drivers who work on a mileage basis.

Unit #2 – Hourly paid workers such as peddle run drivers, city pickup and delivery drivers, established hostlers, dockmen and helpers.

The seniority for City Pickup and Delivery Drivers that are used to supplement the Linehaul shall remain in the Terminal Seniority Group.

Unit #3 – Mechanics and Shop Employees.

(4) a. For Line Drivers – "Branch" will include those Line Drivers set out on individual Master Seniority Lists according to the

jurisdiction of the Local Union in which the drivers are domiciled.

b. For Terminal Employees — The Branch will have individual Terminal inclusion only.

c. For Shop Employees — The Branch will have individual Shop inclusion only.

(5) Within each branch, the Company will post and maintain seniority listings. Such up-to-date listings will be posted as of April 1 and October 1 of each year. Copies of current lists will be provided the Local Union and the Company Labour Relations Department.

Any employee wishing to protest his seniority must do so by formally reducing his protest to writing and submitting same to his supervisor and the Union within thirty (30) days of the posting of the said seniority listing.

Lists will be made up as follows:

a. For Line Drivers:
A Master Seniority List made up of all Line Drivers within the said jurisdictional area. Said list to be maintained at each Terminal at which drivers are domiciled.

b. For Terminals:
That Terminal's Master Seniority List which will include all peddle runs, city pickup and delivery drivers and dockmen.

c. For Shop Employees:
That Shop's Master Seniority List which will include all that Shop's hourly paid contractual employees.

Each Seniority List will contain the name of the employee and the official date he became employed as a regular employee of that unit.

(6) a. In the case of lay-off concerning Line Drivers due to lack of work at their domicile terminal, the driver affected at that terminal may exercise his seniority by moving to another terminal within the Branch where the junior employees on the Seniority List are located if work is there available when the junior employees are laid off. The employee affected will advise the Company in writing within forty-eight (48) hours of the time of being advised of lay-off as to whether he will exercise his seniority as described above, or take lay-off at his domicile terminal. Such decision will be final and without recourse. When work becomes available, employees will be recalled to their original domicile point or job in seniority order. Moving expenses in this proviso will be borne entirely by the employee.

b. During the Employer's off season when work available will not support a full time crew on regular shifts in the City P&D and/or dock work, the junior regular employees not laid off may be placed on a "call as required" basis and not subject to the regular shift proviso as outlined in Article No. 7, Section K. of this Agreement. The number of employees that may be subject to this call-out proviso shall not exceed a ratio of one (1) on-call for each ten (10) employees in the branch, and one (1) for five (5) in terminals with ten (10) or less employees.

c. When an employee is laid off for lack of work, then according to seniority, he will have the right to fill, if qualified, any position which is open in one of the other two (2) classifications of employees (Units). However, he must return to his initial unit when work is there available. Each employee filling such position shall take seniority position in the new unit as if he were newly hired.

d. Any employee who has been on lack of work layoff for six (6) months or more, shall be removed from the Seniority List and the Company shall be under no further obligation to such employee except in the case where the layoff is a direct result of a Labour Dispute involving another Company in which case seniority will be carried for twelve (12) months.

(7) An employee who because of health reasons must seek employment within another unit and if qualified for the work in the new unit, the employee will be given a seniority status by applying his previous experience with the Company in the work of the new unit as follows:

His full experience in months, in the work of the new unit will apply back from the present day of hire into new unit.

(8) When an employee's employment is terminated by the Company or the employee, or leaves by his own choice, he will automatically be struck from the Seniority List.

(9) a. Shift overtime shall be allocated wherever possible on the basis of seniority on a voluntary manner provided the man is capable of doing the job, however, upon reaching the bottom of the list with respect to seniority, the junior employees shall be required to work the overtime.

b. Part-Time employees will not be used for the purpose of depriving regular employees of their regular hours of work on their regular shifts.

c. If a regular employee is informed before his quitting time that there is no work available for him on his next shift (book-off) there shall be no part-time employees worked on the day he is so booked off. The book-off principle may be advanced on a daily basis.

d. No part-time employee will be used when a regular employee is laid off, available for, and desires that work.

ARTICLE NO. 5 — LEAVE OF ABSENCE

Section A. (1) When the requirements of the Company's services will permit any employee hereunder, upon written application to the Company with a copy of said application to the Union, may, if approved by the Company, be granted a leave of absence, in

writing (with a copy to the Union), for a period of thirty (30) calendar days. Under such leaves, the employee shall retain and accrue seniority only.

(2) Such leave may be extended for an additional period of thirty (30) calendar days when approved by both the Company and the Union (in writing), and seniority will accrue during such extension.

(3) Any employee hereunder on leave of absence engaged in gainful employment without prior written permission from both the Company and the Union shall forfeit his seniority rights and his name will be stricken from the Seniority List and he will no longer be considered an employee of the Company.

(4) Any employee requesting a leave of absence for compassionate reasons will be given special consideration and may be required to substantiate the reason for such leave before returning to work. Any violation of this provision will be subject to disciplinary action.

Section B. (1) Promotion: When an employee within the bargaining unit covered by this Agreement receives leave of absence to take a position within the Company which is beyond the sphere of the bargaining unit, he may retain his seniority for a maximum of ninety (90) calendar days within the former unit.

(2) At the end of this period of ninety (90) calendar days, the employee must exercise his seniority rights by returning to his former unit or relinquish all such seniority rights. Should the employee return or be returned to the bargaining unit for any reason, he must remain within the unit for a maximum period of one hundred and twenty (120) calendar days prior to exercising that privilege again.

ARTICLE NO. 6 – SAFETY CONDITIONS

Section A. (1) a. Maintenance of Equipment. It is to be the mutual advantage of both the Company and the employee that employees shall not operate vehicles which are not in a safe operating condition.

The Company will not require employees to operate equipment on public streets or thoroughfares that is not in compliance with the appropriate provisions of the law dealing with safety requirements on mobile equipment (i.e. brakes, steering, signal lights or other lighting equipment).

b. It shall be the duty of the employee to report in writing on the appropriate forms of the Company promptly but not later than the end of their shift, trip or tour, all safety and/or mechanical defects on the equipment which they have operated during that shift, trip or tour. A copy of the aforesaid report will be made available to the employee on request.

c. It shall be the obligation of the Company to so inform the employees as to which supervisor to whom such reports on such equipment will be made in the branch, division or area, of operation.

d. It shall be the obligation of the Company to direct the repair as necessary to conform with the safe and efficient operation of that equipment.

In the event the repairs cannot be effected immediately, the equipment will be correctly identified and kept out of service until repaired.

e. It shall be the duty of the maintenance shop employees to perform their duties efficiently and as instructed in such a manner that repairs having been made do correct the safety and/or mechanical defect.

f. In order to provide adequate vision front and rear, trucks and tractors will be equipped with heaters and mirrors. Said mirrors to be of a size not less than six inches by twelve inches (6" x 12") or the equivalent. All newly purchased highway tractors will have heated mirrors. All newly purchased trucks and tractors shall have heated defrosters.

g. Bunks in new tractors for use in sleeper-cab operations and ordered by the Company after the signing date of this Agreement will be not less than twenty-eight (28) inches wide.

h. The Company shall not require employees to double deck trailers at night in an area without proper lighting.

i. Drivers will be held responsible to insure that the proper equipment is used when towing another vehicle. Such equipment will be made available by the Company.

j. All rear end steering dolly equipment shall have communication to the operator on the tractor and be equiped with heaters.

(2) Trucks and Trailer bodies shall have installed steps or devices to allow reasonable access to the body. (I.C.C. rear bumpers and stirrup steps for side doors on over-the-road line equipment shall be considered as reasonable access).

Section B. (1) Wherever possible, the Company agrees to maintain a clean, sanitary washroom having hot and cold running water, with toilet facilities, at its terminals or garages.

(2) The Company shall provide clean and adequate lunch rooms for its employees at its terminals where such lunch rooms would be used by employees. It shall be the responsibility of the employees using these facilities to leave them in a neat and orderly condition.

Section C. The Company shall provide first aid provisions in accordance with the Workmen's Compensation Act.

ARTICLE NO. 7 – PAY AND WORK CONDITIONS

Section A. (1) All employees covered by this Agreement shall be paid for all time spent in the employment of the Company.

(2) Pay time shall be computed from the time designated when the employee is ordered to report for duty or registers in, whichever is later, until he is effectively released from duty.

(3) The rates of remuneration as listed in this Agreement are considered as minimum rates and shall not preclude payment of premium rates at the discretion of the Company.

(4) Hours of Work and Rates of Remuneration, are outlined in the separate Appendices hereunto annexed and forming part of this Agreement.

Section B. All regular employees covered by this Agreement shall be paid not less frequently than on every other Friday all wages earned by such employee to a day not more than fourteen (14) days prior to the day of payment. The Pay Period shall commence each Sunday at 12:01 a.m.

The Company shall provide each employee covered by this Agreement with a separate and detachable written or printed itemized statement in respect of all wage payments made to such employee. Such statement shall set forth the dated pay period, the total hours worked or paid for, the total miles driven, the total overtime hours worked — either time and one-half or double time, the rates of wages applicable and all deductions made from the gross amount of wages.

Prior to an employee leaving on annual vacation, he shall be entitled to receive vacation pay on a separate cheque, in accordance with Article No. 8 of this Agreement, for that period of time that he will be on vacation, however, if the employee fails to exercise that entitlement, such vacation pay will be paid on the first regualr pay day following his return to work.

Section C. If an error occurs in the payroll computation of an employee's pay cheque and the amount is equal to one day's pay or more, he shall be entitled on request to receive same as soon as practicable but not later than the week following the pay day on which the error was reported. If an employee improperly completes his time card or pay claim, or, does not turn them in immediately on completion of his trip or tour, any pay so affected will be included with the next regular pay period.

Section D. When an employee meets with a personal injury while on duty which prevents him from completing his shift, he will be paid for only the hours actually worked, except, that if the injury is of a nature requiring hospitalization, or immediate care by a Medical Physician, the employee will be compensated for the full shift on that day.

Section E. It shall not be a violation of this Agreement for an employee to post the Teamster's Union Label in a conspicuous place in the cab of the vehicle or equipment he is operating. The said label to be a size not in excess of three inches by four inches (3" x 4"). Said label not to be attached to any glass area.

Section F. (1) The Company agrees that if an employee is required to wear any kind of uniform as a condition of employment, such uniforms shall be furnished and maintained free of charge by the Company. Such uniform shall bear a Union Label.

However, the employee must furnish at his own expense, suitable clothing, shoes, gloves and winter weather protective clothing in order to perform his job efficiently and safely.

(2) Any employee physically handling in substantial quantities, meat, hides, creosoted items, spun glass, lamp black, barbed wire, acids, and dirty oil drums, shall be provided with rubber or leather aprons and/or smocks and gloves.

When an employee is required to handle sides of beef; quarters of beef or pork of a size that cannot be safely handled by one man, he shall be supplied necessary assistance which shall be arranged prior to his departure from the Terminal.

(3) Maintenance Shop Employees and established hostlers, when required, shall be provided with two (2) pairs of clean coveralls per week. Cost of these coveralls shall be borne by the Company.

Section G. No employee shall be asked to make a written or verbal agreement with the Company covering hours of work, wages or conditions during the term of this Agreement.

Section H. Regular hourly paid employees shall be notified before quiting time if they will not be required to work their next regular day.

Section I. When a regular terminal or maintenance shop employee is called and reports for duty on his regular scheduled work day, he shall be guaranteed a minimum of eight (8) hours work and/or pay from his regular scheduled starting time.

Regular terminal or maintenance shop employees reporting for duty on a call-out or call-back basis inconsistent with their regular scheduled work day or shift, shall be guaranteed a minimum of four (4) hours work but after completion of the duty he was called for, he may book off with a minimum of two (2) hours pay at overtime rates.

Section J. When an employee from a higher rated classification is requested to work temporarily or until re-classified at a lower rated classification, he shall continue to be paid at the rate paid for the higher rated classification. Where an employee from a lower rated classification is requested to work for two (2) hours or more per day in a higher rated classification, he shall be paid for the entire day at the higher rated classification.

Section K. There shall be no "split shifts" and the hourly paid regular employees' work week must be designated to him on the last day of the preceding work week.

In the event of failure to post or give such notice, it shall be presumed that the time of his shift for the following week shall be the same as the current week. Any hours worked prior to his regular starting time or after his regular quitting time shall be paid for at the overtime rates in excess of eight (8) hours in that day.

Section L. (1) a. Hourly rated employees shall, except by mutual agreement between parties hereto, take at least one (1) continuous period for meals of not less than thirty (30) minutes, nor more than one (1) hour in any one day. No employee shall be required to take more than a thirty (30) minute meal period except when instructed to take one (1) hour between the hours of 11:30 a.m. and 1:30 p.m.

b. No employee shall be compelled to take more than one (1) continuous hour during such period, nor compelled to take any part of such continuous hour before he has been on duty three and one-half (3½) hours or after he has been on duty five (5) hours.

Section M. An Hourly Rated employee shall be entitled to one (1) break not in excess of fifteen (15) minutes during both the first half and second half of any shift.

When an hourly rated employee is required to work overtime, he shall be entitled to a fifteen (15) minute coffee break prior to starting such overtime work. However, if the overtime is to exceed two (2) hours, the employee shall be entitled to a thirty (30) minute paid meal period prior to starting the overtime.

Section N. When an employee goes off work ill, or on compensation, or a grievance is invoked on his discharge, the Company shall continue to pay both his welfare fees and Union Dues so that the employee shall be protected to the utmost, provided:

(i) The employee reimburses the Company for such contributions made on his behalf and is at no time more than five (5) months in arrears, and

(ii) The period of such coverage shall exceed twelve (12) months only by mutual agreement of the two parties.

In the event of any employee grievances being rejected, all monies paid by the Company under this section, including the total premium, shall be paid to the Company by the employee.

When an employee returns to work, the Company shall deduct from his earnings any monies the Company has paid out in respect of his contributions.

In the event an employee does not return to work, and the employee refuses or neglects on demand at his last known address to make restitution for such monies paid out, the Union shall then reimburse the Company for said amount.

Section O. When death occurs to a member of a regular employees's immediate family, the employee will be granted, upon request, an appropriate leave of absence and if he attends the funeral, he shall be compensated at his regular straight time hourly rate for hours lost from his regular schedule on any of the days prior to the funeral, the day of the funeral, and the day after the funeral, for a maximum of three (3) days.

Members of the employee's family are defined as the employee's spouse, mother, father, sons, daughters, sisters, brothers, mother-in-law and father-in-law. Step-father or step-mother will be recognized provided such step-father or step-mother had the status of the employee's father or mother.

Subject to the foregoing, Line Drivers shall be compensated for hours lost at the work time rate. This shall not exceed eight (8) hours per day.

Section P. Any regular full time employee who is required to perform jury duty, or is required to appear as a witness in a court action resulting from an incident which directly involved the employee and the Company during the employee's regular work day, will be reimbursed by the Company for the difference between the pay received for the jury duty, or witness fee, and his regular straight time hourly rate of pay for his regular scheduled hours of work .

It is understood that such reimbursement shall not be for hours in excess of eight (8) hours per day or forty (40) per week, less pay received for jury duty, or witness fee, whichever applies.

The employee will be required to furnish proof of jury service or witness attendance and jury duty pay or witness fee received. Any employee on jury duty, or called as a witness, shall subject to this provision, make himself available for work before or after being required for such duty, whenever practicable.

Section Q. Any Company requested Physical or Medical Examination shall be properly complied with by all employees, provided however, that the Company shall pay for all such Physical or Medical Examinations and for any time lost as a result thereof during his regular working hours.

Drivers required to take Government Physical or Medical Examinations for the purpose of their Vehicle Operator License will, upon receipt of their Doctor's report, make it available to the Company for copying. The Company will then reimburse the driver up to a maximum of ten ($10) dollars toward the cost of such physical examination upon presentation of a receipt showing the driver has paid for such examination.

(1) Any employee who fails to pass a Company Physical Examination may at his option have his case reviewed in the following manner:

a. He may employ a qualified medical examiner of his own choosing and at his own expense for the purpose of obtaining a second physical examination report.

b. A copy of the findings of the medical examiner chosen by the employee shall be furnished to the Company and in the event that such findings verify the medical examiner employed by the Company, no further medical review of the case will be afforded.

c. In the event that the findings of the medical examiner chosen by the employee disagrees with the findings of the medical examiner employed by the Company, the Company will, at the written request of the employee, agree upon and appoint within five (5) days, a third qualified medical examiner, preferably a doctor specializing in the ailment claimed, for the purpose of making a further medical examination of the employee.

(2) The decision of the medical specialist shall be final and binding on the parties involved and the employee shall not suffer loss

of wages if the decision of the medical specialist is in favour of the employee and the employee is fit to return to his former classification. Line Drivers will be compensated at the rate of eight (8) hours per day with a maximum of forty (40) hours per week.

(3) The expense of employing a disinterested medical examiner shall be borne half by the Union and half by the Company. Copies of such medical examiner's report shall be furnished to the Company and to the employee.

(4) a. If the Company requests the driver to upgrade his license, the appropriate equipment will be provided for test purposes and the driver will receive his regular rate of pay during the test period.

b. If a driver requests appropriate equipment for test purposes to upgrade his license or for license renewal, it shall be provided by the Company if and when available.

ARTICLE NO. 8 – VACATIONS

Section A. (1) All employees (excluding Vancouver, B.C.) shall receive:

a. Two (2) weeks vacation with pay after the completion of each year of continuous service with the Company.

Payment for such vacation shall be in the amount equal to four per cent (4%) of the wages paid that employee during the year in which he qualifies for such vacation.

OR,

b. Who have completed four (4) years of continuous service with the Company shall receive in the next succeeding year of employment and each year thereafter, three (3) weeks vacation with pay in an amount equal to six (6%) per cent of the wages paid that employee during the year in which he qualifies for such vacation.

OR,

c. Who have completed ten (10) years of continuous service with the Company, shall receive in the next succeeding year of employment and each year thereafter, four (4) weeks vacation with pay in an amount equal to eight (8) per cent of the wages paid that employee during the year in which he qualifies for such vacation.

OR,

d. Who has completed eighteen (18) years of continuous service with the Company in the year 1974 and upon completion of seventeen (17) years of continuous service in the year 1975 shall receive in the next succeeding year of employment and each year thereafter, five (5) weeks vacation with pay in an amount equal to ten (10%) per cent of the wages paid that employee during the year in which he qualifies for such vacation.

(2) The time of vacation shall be fixed by the Company consistent with the efficient operation of the business. Preference of vacation time shall be given to senior employees. Senior employees may only exercise their seniority for selection once in a vacation year.

During the employer's prime season, June 1 to September 30, the Company will use the following formula for determination of the minimum number of employees allowed on vacation at any one time at each Company Terminal Location:

Number of Employees in Group	Number Allowed on Vacation
1 to 10	1
11 to 20	3
21 to 30	4
31 to 40	5
41 to 50	6

The following classifications will be recognized as separate groups for determining allocation of vacation:

a. Dockmen.
b. Pickup & Delivery Drivers.
c. Linehaul Drivers.
d. Maintenance Shop Employees.

The number of employees in each group for application of the allocation of the vacation formula will be the number employed as of April 1 of each year.

(3) An employee laid off or leaving the Company before completion of a full year of service, shall be entitled to a pro rated vacation with pay computed on the same percentage of wages paid that employee during the portion of the year worked.

(4) Any employee who accepts gainful employment while on vacation may be terminated.

ARTICLE NO. 9 – STATUTORY HOLIDAYS

Section A. (1) All employees who have completed their probationary periods of thirty (30) calendar days and have qualified as regular employees, shall be entitled to nine (9) Statutory Holidays.

The said Statutory Holidays are:

New Year's Day	Dominion Day	Remembrance Day
Good Friday	Labour Day	Christmas Day
Victoria Day	Thanksgiving Day	Boxing Day

In addition to the foregoing, employees domiciled and employed in Alberta, The Yukon Territories, Saskatchewan or Manitoba shall be entitled to one (1) Provincial-wide Holiday declared by Civic Governments and recognized at the date thereof.

Until such time as a Provincial-wide Annual Civic Holiday is provided in British Columbia, the employees working and domiciled in that Province shall be entitled to one day annually in addition to the nine (9) Statutory Holidays listed above. This day shall be designated by the Employer and may be a different day by Terminal location or by employees. In the event a Provincial-wide Annual Civic Holiday is declared in British Columbia during the term of this Agreement, that Holiday will have precedence and the tenth (10th) Holiday as described herein shall no longer be in effect.

In no event shall any employee be entitled to more than ten (10) paid Statutory Holidays annually.

(2) Regular hourly rated employees will receive eight (8) hours pay at their regular hourly work time job classification rate for the Statutory Holidays as listed. Line Drivers will receive ten (10) hours pay.

(3) Regular employees shall be entitled to Statutory Holiday pay for the specified Holiday subject to the following qualifications:

a. An employee shall not be entitled to receive pay for any Statutory or Civic Holiday where such holiday falls while the employee is on expressed leave of absence for any reason whatsoever. The employee will be entitled to such Holiday pay if absence is due to sickness or compensation up to a maximum of twenty-six (26) weeks in any Calendar Year.

b. Employees who have been laid off for lack of work and return to work within thirty (30) days of a Statutory Holiday which took palce while they were on lay off, will be entitled to pay for this Statutory Holiday UNLESS they terminate employment within thirty (30) days of their return to duty.

Section B. In the event a regular employee is requested to work on his Statutory Holiday, he shall receive the rate of pay as stipulated in this Agreement, in addition to the rate of pay as prescribed for the Statutory Holiday.

ARTICLE NO. 10 – COVERS ALL EMPLOYEES ENGAGED IN OVER-THE-ROAD OPERATIONS SINGLE AND SLEEPER-CAB

Section A. (1) All employees engaged in over-the-road operations, single and sleeper-cab, shall be subject to all the terms and conditions provided by this Agreement save as herein expressly provided.

(2) Local warehouse work and city pickup and delivery service are not subject to the terms and conditions of this Article but are subject to Pickup and Delivery Appendix hereunto annexed and forming part of this Agreement.

(3) In respect to drivers making pickups and/or deliveries at terminals, drivers engaged in over-the-road operations, including operators of Lease equipment and contract haulers, shall not be asked to load or unload freight or perform any other duties at a place where the Company maintains a terminal. Drivers may however, be permitted to load or unload freight where such loading or unloading is made outside the normal hours when the terminal is operated or when contractual terminal employees are not in the terminal.

(4) Employees on student trips shall be paid in accordance with the provisions of this Agreement. This means that employees who are instructed by the Company to go out on Student Trips will be paid on the same basis as the drivers with whom they make the student trips.

Section B. (1) a. Employees shall be given at least two (2) hours notice when ordered to report for duty at both the home terminal and at the end of the run where he has been effectively released from duty by the Company.

b. When an employee has been called for duty and has begun his trip or tour, he shall be guaranteed a minimum of eight (8) hours work and/or pay at the hourly work time rate for the trip or any portion thereof.

c. When an employee reports for work after being called and no work is available, he shall receive a minimum of four (4) hours pay at the work time rate.

d. When an employee reports in accordance with an established reporting time and no work is provided, he will receive a minimum number of hours pay (four (4) hours), UNLESS he has been notified at least two (2) hours ahead of the regular reporting time that no work is available. Any employee who has an established reporting time is unable to report for duty as required for any reason, will advise the Company representative at least two (2) hours ahead of his reporting time.

(2) a. The Company will endeavour to notify all drivers between the hours of 1700 and 1900, who are off duty at their home terminal, if they are to report for duty between the hours of 1900 and 0700. If the driver will not be at his normal residence, he will notify the duty dispatcher of an alternate contact number.

b. In the event a driver will not be available at his contact point after his rest period has expired, he will notify the dispatcher.

c. Drivers who are off duty at their home terminal before 1200 hours on a Saturday and who are to be called to work prior to 2400 hours Sunday, shall be notified on Saturday for a time of dispatch. It will be the driver's responsibility to contact the dispatcher by 1200 hours Saturday or prior thereto if he will not be available for call at his normal contact point at that time.

Section C. Work time shall include but not be limited to loading, unloading, repairs of equipment, chaining and unchaining, time spent on ferries and boats and when drivers are required to stay with equipment. Fueling at Company pumps and Key pumps, hooking up and unhooking will be included as work time when the driver performs the function.

Section D. Every employee covered under this Agreement when required to travel by any other mode of transportation than Company equipment, shall be paid in the following manner:

(1) All hours travelling on public transportation from the point deadhead commenced to the destination point designated by the Company shall be paid for at his regular straight time hourly rate plus the subsistence allowance if applicable and the cost of such transportation.

(2) Each employee who is covered by this Agreement and who is required by the Company to ride on Company equipment in a deadhead manner, will be paid the regular straight time hourly rate for all hours spent in riding such equipment.

Section E. (1) For all time spent waiting to load or unload, waiting for equipment to be repaired, and waiting for roads to be cleared as stipulated in this Agreement, with a maximum of eight (8) hours pay for waiting time in each twenty (20) hour period.

Waiting Time is clarified as follows: Wait Time is not accumulative. For the purpose of determining wait time pay, each stop shall be considered a separate waiting period.

In no event shall wait time exceed eight (8) hours for each stop in any twenty (20) hour period. When a driver is held more than one (1) day, he shall receive pay for the first eight (8) hours of each twenty (20) hour period.

(2) All time lost due to delays as a result of overloads or certification violations involving Federal, State, Provincial or City regulations, shall be paid for at regular applicable wait time rate in this Agreement. To the best of his ability, it shall be the duty of the employee to ascertain that he is not hauling an overload, and to ascertain that he has all the necessary and required licenses, certificates and permits before leaving the Company terminal, provided however, that the Company shall arrange for all permits to be made available to its employees.

Section F. (1) In the event that drivers are required to layover during any one round trip or tour away from their home terminals, they shall be compensated for layover time as follows, it being understood that layover time shall not be accumulative, but shall mean only one layover on such round trip or tour, save and except in the case of accident or breakdown whereby the layover point may be extended to a point beyond the original designated layover points:

For the first twelve (12) hours of each layover — no pay;
For the next eight (8) hours, rates as stipulated in this Agreement.
For the next twelve (12) hours — no pay;
For the next eight (8) hours, rates as stipulated in this Agreement and continuing on the same basis for each twenty (20) hour period.

(2) The Layover point is to be designated on a Driver's original orders prior to his dispatch from home terminal, save and except in the case of accident or breakdown, whereby the layover point may be extended to a point beyond the original designated layover point.

(3) When drivers arrive at a layover point and are to be placed on layover, they will be so advised on arrival or otherwise placed on wait time, save and except where the drivers have been previously instructed on their driver's orders.

If the Driver Team is released from duty and then required to return to work within four (4) hours, they shall be paid wait time for the hours booked off.

Section G. (1) Each Driver will receive a subsistence allowance according to the area rate as stipulated in this Agreement..

(2) Sleeper-Cab Drivers shall receive the rate as outlined per day or any portion thereof after eight (8) hours.

(3) Single Man Drivers excluding a driver on turn-around, shall receive the rate as outlined per day or any portion thereof after ten (10) hours the first day and after eight (8) hours of each succeeding day.

Section H. Driving of a tractor without trailer shall be paid for on the same basis as driving tractor-trailer.

(1) Mileage Rates are laid out by areas and will be paid for as such and they are composite mileage rates to compensate for duties performed in normal operations which include driving, checking equipment and reports.

(2) The official State, Provincial and/or Territorial mileage will be used as a guide to determine the number of miles driven. The authority to determine the number of miles driven shall be the Department of Highways of the various Provinces, Territories and/or States.

Section J. (1) All trips shall be paid for at the mileage rate for miles driven except that the hourly rate shall apply in the event that the amount earned under the applicable mileage rate provides less than the hourly rate for the total driving time on a particular trip. The onus is upon the driver to question the rates of pay by marking his Trip and Pay Report accordingly.

If a Sleeper Team is used on a load that is restricted to a speed of less than thirty-five (35) miles per hour by Condition of a Government issued Permit for oversize and/or overweight loads, the driver team shall receive one and one-half (1¾) times the domicile work time rate equally divided between the drivers for that portion of the tour which is so restricted. It shall be the responsibility of the drivers to claim such hourly rate by marking their pay claim accordingly.

(2) Runs which include both highway miles and off-line bush miles, will be paid for in the following manner:

Mileage rates for main highway miles and hourly rates for bush miles.

(3) All Drivers and operators of equipment shall be dispatched according to agreed upon Local Dispatching Rules. Failure to agree on such Dispatch Rules, such rules then shall be referred to Grievance Procedure.

Time lost when a driver is available but not dispatched in proper order under agreed upon local dispatching rules between the Company and the Union – he shall be paid at the hourly rate from the time he should have been dispatched until actual time of departure on a trip and/or tour, with a maximum of eight (8) hours at the applicable work time rate for the initial twenty-four (24) hours and continuing on the basis of the first eight (8) hours in each twenty-four (24) hour period therafter at the applicable wait time rate.

Section K. (1) For definition purposes, the word "trip" will be used when referring to single man operation. A single man trip is considered from point of dispatch to point of rest, layover or book-off.

(2) The regular hours of work for employees engaged on single man operations shall be ten (10) hours per trip. The Company shall pay for all time driving and working in excess of the regular hours at the overtime rate as specified hereafter, and shall continue at the overtime rate until a rest period of eight (8) hours is provided. This rate does not apply to the layover and wait time but is calculated on the driving and work time only at the employees's domicile work time rate.

(3) No single man driver shall be called for dispatch until he has been off duty eight (8) hours excluding call time after completing a trip. Single man drivers are obligated to take the full off duty time for rest as provided in this Section when effectively released from duty, or when and where instructed to take a rest period. Drivers held and/or waiting at a point other than the home terminal or layover point in excess of the eight (8) hour rest period and two (2) hour call time, will be paid wait time for hours in excess of the full ten (10) hours allowed, as stipulated in the Wait Time Clause. If a Driver is called before he has completed his eight (8) hours rest period, he shall receive wait time pay for those hours he was booked off.

Section L. (1) For definition purposes, the word "tour" will be used when referring to sleeper operation.

(2) Sleeper-cab operation shall be performed by two (2) drivers. The Company shall designate the home terminal of each driver team and designate the routes to be travelled on each tour from home terminal to destination and return to home terminal, and each driver shall be paid for driving one-half (½) the mileage the vehicle travelled in making the tour.

(3) Once driver teams are established, it is understood that they are not to be separated unless mutually agreed to by the Company, the Union and driver teams involved, except in case of emergency or reduction in forces, or temporary training.

(4) Only two (2) men shall be permitted in sleeper-cab equipment at any time except in cases of emergency, or where new type equipment is put into operation. In no event shall a driver supervisor or other authorized personnel be in the cab in addition to the two (2) drivers, for more than three hundred (300) miles.

(5) No driver under this Agreement shall be placed on layover if routed on any tour with outbound mileage under five hundred (500) miles.

(6) The Company may use a sleeper-cab driver or team to effect a single man operation but will not do this when it adversely affects the single man board or when it creates excessive layover time for sleeper-cab drivers.

(7) a. Except in cases of emergency, sleeper-cab drivers shall be entitled to have a minimum of four (4) hours off duty excluding call time after completion of their tour.

b. No sleeper-cab driver shall be allowed to take a single man trip of more than four (4) hours until he has had eight (8) hours rest since he was last on duty. Rest time does not include time in the sleeper-cab bunk.

c. Drivers on tours in excess of four thousand (4,000) miles shall be given a four (4) hour call by the Company when ordered to report for duty except in extreme emergent circumstances, but in any event not less than two (2) hours at both the home terminal and at the end of the run where he has been effectively released from duty by the Company. At the completion of a tour away from the home terminal, drivers shall be given eight (8) hours off duty except in the cases of extreme emergent circumstances, but in any event, not less than four (4) hours off duty.

(8) Bedding and fresh linens for sleeper-cabs shall be furnished and maintasned by the Company.

Section M. (1) When a branch is closed or partially closed and the work of the branch is transferred to another branch in whole or in part, an over-the-road driver at the closed or partially closed down branch, shall have the right to transfer at the Company's expense to the branch into which the work was transferred if work is there available.

"Branch" as referred to above, will be described under the Seniority Section of this Agreement, Article No. 4.

(2) Such employees will be dovetailed into the seniority lists as of the date they first became employees in their classification.

(3) Whenever a man is transferred at the request of the Company, his reasonable moving expenses shall be borne by the Company.

(4) For the purpose of this Section, "expense" is defined to mean the moving expenses of normal household goods and chattels.

ARTICLE NO. 11 – OTHER UNION CONTROVERSY

Section A. The Union agrees that, in the event the Company becomes involved in a controversy with any other Union, the Union will do all in its power to help effect a fair settlement, and the Union will not participate in any sympathetic cessation of work or slow-down program while the controversy is being settled.

Section B. It shall not be a violation of this Agreement or cause for discharge of any employee, in the performance of his duties, to refuse to

cross a legal picket line recognized by the Union.

Section C. During the life of this Agreement, there shall be no lockout by the Company or any strike, sit-down, slow-down, or work stoppage or suspension of work either complete or partial for any reason by the Union.

ARTICLE NO. 12 – VALIDITY OF ARTICLES

Section A. If any Articles or Section of this Contract or of any supplement hereto should be held invalid by operation of law or by any tribunal of competent jurisdiction, or if compliance with or enforcement of any Article or Section should be restrained by such tribunal pending a final determination as to its validity, the remainder of this Contract and of any supplement thereto, or the Application of such Article or Section to persons or circumstances other than those as to which it has been held invalid or as to which compliance with or enforcement of has been restrained, shall not be affected thereby.

Section B. The Company agrees that all conditions of employment relating to wages, hours of work, overtime differentials and general working conditions in effect prior to certification by the Union and/or the time of the Company and the Union signing the first collective agreement covering that Company and/or scope of operations, shall be maintained at not less than the highest standards in effect at time of the signing of that Agreement.

ARTICLE NO. 13 – GRIEVANCE PROCEDURE

Section A. All questions, disputes and controversies arising under this Agreement or any supplement hereto shall be adjusted and settled within the terms and conditions as set forth in this Agreement in the manner provided by this Article, unless otherwise expressly provided in this Agreement. The procedure for such adjustment and settlement shall be as follows:

Step 1. Any grievance of an employee shall first be taken up between such employee and the Company Supervisor.

Time limit to institute Grievance:

a. Terminated or layoff – Ten (10) days.
b. All others – Thirty (30) days.

However, such employees will be entitled to representation by a Shop Steward or Union Representative.

Step 2. Failing settlement under Step 1, such grievance shall be taken up between a representative of the Local Union or Shop Steward and the Company Supervisor.

Step 3. Failing settlement under Step 2, such grievance and any question, dispute or controversy that is not of a kind that is subject to Steps 1 and 2, the grieving party shall reduce his grievance to writing and it will be referred to and taken up between the Secretary or other bargaining representatives of the Union and the Company's representative authorized by the President of the Company. Such written notice must be made within the time limitations as indicated under Step 1.

Step 4. Failing settlement under Step 3, the matter will be taken up in presentation to a Board consisting of two (2) Union Members selected by the Union and two (2) Company Members appointed by the President of the Company.

Step 5. Failing settlement under Step 4, the matter will be referred to an agreed upon neutral arbitrator who will meet with the Board to hear both sides of the case.

Failing to agree upon a neutral arbitrator, the Department of Labour will be requested to appoint a neutral arbitrator.

The Arbitrator's decision will be final and binding and shall be applied forthwith.

The cost of the Arbitrator will be borne equally by the Union and the Company.

Under Step 3 and Step 4, the Company will act as recording Secretary and will furnish the Union with a copy of any such Minutes. All copies of Minutes will be signed by both the Union and the Company.

Under Step 4, the Meeting Chairman will be rotated between the Union and the Company.

ARTICLE NO. 15 – TERMINATION

This Agreement shall be in full force and effect from the FIRST day of JANUARY, A.D. 1974, until the 31st day of December 1975 and shall remain in full force and effect from year to year thereafter PROVIDED THAT, either Party may not less than ninety (90) days immediately preceding the 31st day of December 1974 or immediately preceding any succeeding 31st Day of December thereafter, by written notice to the other party:

(1) Require the other Party to commence collective bargaining with a view to the conclusion of a renewal or revision of the collective agreement or a new collective agreement.

(2) Terminate the Agreement on the next succeeding Anniversary date thereof, and require the other Party to commence collective bargaining with the view aforesaid.

(3) Terminate the Agreement on the next succeeding Anniversary Date thereof.

Should either Party give written notice to the other Party pursuant to sub-section (1) hereof, this Agreement shall thereafter continue in full force and effect until the Union shall give notice of Strike, or the Company shall give notice of Lockout, or the parties shall conclude a renewal or revision of the Agreement or a new collective Agreement.

APPENDIX "A"

COVERS RATES OF PAY FOR ALL SINGLE MAN AND SLEEPER-CAB DRIVERS
CANADIAN FREIGHTWAYS LIMITED
LOISELLE TRANSPORT LIMITED

Section 1. Mileage Rates (Cents per Mile)

		Jan. 1974	July 1974	Jan. 1975	July 1975
(a)	**Sleeper Teams**				
i.	Yukon Territory North of Watson Lake	20.5¢	21¢	22.5¢	23¢
ii.	North of Dawson Creek to Watson Lake	19¢	20¢	21¢	
iii.	Hart Highway, Cariboo Highway and Highway 16 (West of Prince George)	18¢	19¢	20¢	
iv.	South of Dawson Creek (Including Alberta)	16¢	17.5¢	19¢	
v.	Between Alberta and Vancouver or Prince George (via Yellowhead or Rogers Pass)	17¢	18¢	19¢	
(b)	Single Man Operation				
i.	Yukon Territory North of Watson Lake	18.5¢	19¢	20.5¢	21¢
ii.	North of Dawson Creek to Watson Lake	16.5¢	17.5¢	18.5¢	
iii.	Hart Highway, Cariboo Highway and Highway 16 (West of Prince George)	16.5¢	17.5¢	18.5¢	
iv.	South of Dawson Creek (Including Alberta)	14¢	16.5¢	17.5¢	
v.	Between Alberta and Vancouver or Prince George (Via Yellowhead or Rogers Pass)	16.5¢	17.5¢	18.5¢	

(c) When operating units with more than five (5) axles, the Mileage Rate in (a) and (b) above will be increased by one (1) cent per axle for each additional axle over and above the fifth axle.

Section 2. Rates of Pay (Hourly) Work Time, Wait Time and Layover Time (Domicile Rate)

		Jan. 1974	July 1974	Jan. 1975	July 1975
i.	North of Dawson Creek	5.25	5.45	6.05	6.15
ii.	Hart Highway, Cariboo Highway and Highway 16 (West of Prince George)	5.90		6.50	
iii.	South of Dawson Creek (Including Alberta)	5.25	5.45	6.05	6.15
iv.	Between Alberta and Vancouver or Prince George (via Yellowhead or Rogers Pass)	5.25	5.45	6.05	6.15
v.	Vancouver	5.90		6.50	

Section 3. Subsistence (per day)

		June 1974	Jan. 1975
(a)	Sleeper Teams		
i.	North of Dawson Creek	8.00	9.00
ii.	Hart Highway, Cariboo Highway and Highway 16 (West of Prince George)	7.00	8.00
iii.	South of Dawson Creek (Including Alberta)	7.00	8.00
iv.	Between Alberta and Vancouver or Prince George (via Yellowhead or Rogers Pass)	7.00	8.00

v. Sleeper Teams placed on layover will be compensated an additional Five Dollars ($5.00) per driver for time in excess of the first eight (8) hours of each twenty-four (24) hour layover period to apply toward hotel accommodation expense. Such expense must be verified by a receipt from the hotel for monies paid out by the driver for such accommodation. Sleeper Drivers placed on layover North of Dawson Creek will be compensated an additional Seven Dollars and Fifty Cents ($7.50) over and above the rate stipulated herein and under the same conditions as stated herein to apply toward hotel accommodation.

		June 1974	Jan. 1975
(b)	Single Man Operations		
	All Areas	9.00	10.00

APPENDIX "A-1"

COVERS RATES OF PAY FOR ALL SINGLE MAN AND SLEEPER-CAB DRIVERS MILLAR & BROWN LIMITED

Section 1. **Mileage Rates (Cents per Mile)**

		Jan. 1974	July 1974	Jan. 1975	July 1975
(a)	Sleeper Teams				
i.	Yukon Territory North of Watson Lake	20.50	21.00	22.50	23.00
ii.	North of Dawson Creek to Watson Lake	19.00	20.00	21.00	
iii.	Hart Highway, Cariboo Highway and Highway 16 (West of Prince George)	18.00	19.00	20.00	
iv.	South of Dawson Creek (Including Alberta)	16.00	17.50	19.00	
v.	Between Alberta and Vancouver or Prince George (via Yellowhead or Rogers Pass)	17.00	18.00	19.00	
(b)	Single Man Operation				
i.	British Columbia and Alberta (West of Alberta Highway No. 2)	16.50	17.50	18.50	
ii.	Alberta (North and South on Highway No. 2) and Manitoba and Saskatchewan)	14.00	16.50	17.50	

(c) When operating units with more than five (5) axles, the mileage rate in (a) and (b) above will be increased by one (1) cent per axle for each additional axle over and above the fifth axle.

Section 2. **Rates of Pay (Hourly) Work Time, Wait Time and Layover Time (Domicile Rate)**

		Jan. 1974	July 1974	Jan. 1975	July 1975
i.	British Columbia	5.90		6.50	
ii.	Alberta	5.25	5.45	6.05	6.15
iii.	Saskatchewan and Manitoba	5.03	5.23	5.83	5.93

Section 3. **Subsistence (Per day)**

		June 1974	Jan. 1975
(a)	Sleeper Teams		
	All Areas	7.00	8.00

Sleeper teams placed on layover will be compensated an additional Five Dollars ($5) per driver for time in excess of the first eight (8) hours of each twenty-four (24) hour layover period to apply toward hotel accommodation expense. Such expense must be verified by a receipt from the hotel for monies paid out by the driver for such accommodation. Sleeper layover north of Dawson Creek will be compensated an additional $2.50 over and above the rate stipulated herein and under the same conditions as stated herein to apply toward hotel accommodation.

		June 1974	Jan. 1975
(b)	Single Man Operations		
	All Areas	9.00	10.00

APPENDIX "B-1"

(Vancouver Based Employees)

COVERING CITY PICKUP AND DELIVERY DRIVERS, SWAMPERS AND DOCKMEN WITHIN THE AREA O HUNDRED (100) MILES OUTBOUND FROM THE BASE OF OPERATIONS, INCLUDING MECHANICS MAINTENANCE SHOP CREWS

Section 1. **Hours of Work, Overtime Conditions and Vacations with Pay.**

From January 6, 1974 to December 31, 1975 the Parties hereto agree to the Hours of Work, Overtime Conditions and Vacations with Pay provisos as set out in the British Columbia Master Freight and Cartage Agreement in effect between the Companies Party to the Transport Labour Relations and General Truck Drivers and Helpers Union, Local No. 31.

Section 2. **Rates of Pay**

		Jan. 1974	Jan. 1975
i.	Dockmen	5.75	6.35
ii.	P & D Drivers (Straight Truck)	5.85	6.45
iii.	P & D Drivers (Semi-Trailer)	5.90	6.50
iv.	Mechanics — All classes as per Appendix: B: Section 2. (b) v.		

APPENDIX "B"

COVERS HOURS OF WORK, OVERTIME PROVISIONS AND RATES OF PAY FOR ALL SHORT LINE, CITY PICKUP AND DELIVERY DRIVERS, DOCKMEN, MECHANICS AND MAINTENANCE SHOP CREWS IN ALBERTA, SASKATCHEWAN, MANITOBA, BRITISH COLUMBIA (EXCLUDING VANCOUVER AREA), YUKON TERRITORY AND THE NORTHWEST TERRITORIES.

Section 1. Hours of Work

(a) Alberta, Saskatchewan, Manitoba, British Columbia (excluding Vancouver area), the Yukon Territory and the Northwest Territories. Based on a forty (40) hour work week.

The maximum hours of work for all short line drivers, dockmen, mechanics and maintenance shop crews shall be at each terminal covered by this Agreement as described below.

Eight (8) hours per day and forty (40) hours per week for any five (5) consecutive days.

Except employees who work a swing shift, at swing time such employees shall be excluded from the following provision: Two (2) consecutive days off.

(b) Overtime on a call-out or call-back basis will be allocated by seniority provided the senior man is available and qualified to perform the work.

All hours worked in excess of the daily maximum will be deemed overtime and paid for as such.

In the event that a Statutory Holiday falls on an employee's regular day off, he shall, upon written request and consistent with the efficient operation of the business, be entitled to the day off following such Statutory Holiday without pay.

(c) Overtime rate for shift work.

i. For the first two (2) hours work after the completion of the first eight (8) hours work at straight time, the overtime rate shall be one and one-half (1½) times the regular rate of pay for time worked per shift.

ii. For overtime in excess of i. above, the overtime rate will be two (2) times the regular rate for time worked, per shift.

(d) When an employee is called out to work and his call-out time runs into his regular shift time, such employee shall be allowed reasonable time off with pay to eat upon completing the work he was called to perform or at the regular starting time of his regular shift, whichever is later. Such time is not to exceed one (1) hour.

Section 2. Rates of Pay

	Jan. 1974	July 1974	Jan. 1975	July 1975
(a) Dockmen and P & D Drivers				
i. In Manitoba and Saskatchewan	5.03	5.23	5.83	5.93
ii. In Alberta, the Northwest Territories and North of Highway 16 in B.C. (excluding Fort Nelson)	5.25	5.45	6.05	6.15
iii. In British Columbia on Highway 16 (Prince George and West)	5.90		6.50	
iv. In British Columbia South of Highway 16 (excluding Vancouver)	5.90		6.50	
v. Fort Nelson and Yukon Territory	5.83		6.43	
vi. Yukon Territory	5.83		6.58	
vii. Vancouver — as per Appendix "B-1" of this Agreement	Per Appendix "B-1"			

(b) Maintenance Shop Crews	Jan. 1974	July 1974	Jan. 1975	July 1975
i. In Saskatchewan and Manitoba				
Mechanics and Welders with Trade Cards (or licenses) and qualified Reefer/Refrigeration Tradesmen	5.30	5.50	6.10	6.20
Mechanics without Trade Cards (or licenses)	5.20	5.40	6.00	6.10
Tiremen, Greasers, Reefer/Refrigeration Servicemen and Washers	5.03	5.23	5.83	5.93
ii. In Alberta and Northwest Territories				
Mechanics and Welders with Trade Cards (or licenses) and qualified Reefer/Refrigeration Tradesmen	5.80	6.20	6.80	6.90
Mechanics without Trade Cards (or licenses)	5.40	5.60	6.20	6.30
Tiremen, Greasers, Reefer/Refrigeration Servicemen and Washers	5.25	5.45	6.05	6.15
Master Retreader	5.80	6.20	6.80	6.90
Retreader	5.40	5.60	6.20	6.30
iii. In British Columbia North of Highway 16				
Mechanics and Welders with Trade Cards (or licenses) and qualified Reefer/Refrigeration Tradesmen	5.80	6.20	6.80	6.90
Mechanics without Trade Cards (or licenses)	5.60	5.80	6.40	6.50
Tiremen, Greasers, Reefer/Refrigeration Servicemen and Washers	5.25	5.45	6.05	6.15
iv. In British Columbia on Highway 16 (Prince George and West)				
Mechanics and Welders with Trade Cards (or licenses) and qualified Reefer/Refrigeration Tradesmen	6.20	6.50	7.25	
Mechanics without Trade Cards (or licenses)	6.05	6.35	7.10	
Tiremen, Greasers, Reefer/Refrigeration Servicemen and Washers	5.65		6.25	
v. In British Columbia South of Highway 16				
Mechanics and Welders with Trade Cards (or licenses) and qualified				

Reefer/Refrigeration Tradesmen	6.65		7.25
Mechanics without Trade Cards (or licenses)	6.05	6.45	7.10
Tiremen, Greasers, Reefer/Refrigeration Servicemen and Washers	5.65		6.25

vi. Apprentice Mechanics — All areas

1st Year Apprentice — 60% of Rate for Mechanic with Trade Card.
2nd Year Apprentice — 70% of Rate for Mechanic with Trade Card.
3rd Year Apprentice — 80% of Rate for Mechanic with Trade Card.
4th Year Apprentice — 90% of Rate for Mechanic with Trade Card.

Must attend and eventually graduate from an accredited vocational or apprentice program under Provincial (or Federal) Government jurisdiction in order to qualify as a Mechanic with Trade Card.

The maximum number of apprentices to be employed in any one shop will be one (1) apprentice for every three (3) tradesmen.

(d) Night Time Differential for Dock and Maintenance Shop Crews:

For all shifts commencing between the hours of 1359 and 0659, a Night Time Differential over and above the job classification will be paid to those Regular Dock and Maintenance Shop Employees who work such shifts at Thirty Cents (30¢) per hour.

Such premium pay for shifts and/or Night Time Differential, is not applicable to part time hourly employees.

(e) Rate of Pay for Leadman (Charge Hand) shall be twenty-five cents (25¢) per hour over and above the Classification of Employees for which he is a Leadman (Charge Hand).

Section 3. **Part Time Employees Guarantee**

When a part time terminal or maintenance shop employee is called and reports for duty Monday through Friday, he shall be guaranteed a minimum of four (4) hours work and/or pay. On Saturday and/or Sunday, he shall be guaranteed a minimum of eight (8) hours work and/or pay but will have the privilege of booking off of his own volition by agreement with the Company in less than eight (8) hours and receive pay only for the time worked.

APPENDIX "C"

HEALTH AND WELFARE PLAN

Section 1. The Company shall establish and operate a Health and Welfare Plan covering members of the Union from time to time employed by the Company subject to the conditions as to Part Time Employees contained herein and to the following eligibility conditions:

(a) Any Member of the Union who is in the employ of the Company on the effective date of the Health and Welfare Plan shall join the Plan from that date.

(b) Any employee who is hired by the Company after the effective date of the Health and Welfare Plan shall join the Plan on the first day of the month immediately following completion of one (1) month's employment with the Company.

(c) Not withstanding the provision of Subsection (b) of this Section 1., any employee who is hired by the Company after the effective date of the Health and Welfare Plan shall join the Plan the day he is so hired provided that within the previous thirty (30) day period he was a participant in the comparable Health and Welfare Plan of another company which is a party to an identical agreement to this Agreement.

Section 2. The Plan shall provide the following benefits:

(a) Group insurance with a life insurance company licensed to operate in Canada, providing the following minimum coverage for members who join:

i. Life Insurance coverage in the sum of $10,000 covering death from any cause.

ii. Accidental death and dismemberment coverage for loss within ninety (90) days of an accident of life, limb or sight, according to the following schedule:

Loss of Life	$10,000
Loss of both hands or both feet or sight of both eyes	$10,000
Loss of one hand and one foot	$10,000
Loss of one hand and sight of one eye	$10,000
Loss of one foot and sight of one eye	$10,000
Loss of one hand or one foot or sight of one eye	$ 5,000

iii. Non-occupational weekly indemnity coverage of $130 per week in 1974 and $140 per week in 1975 commencing on the first day of necessary absence from work due to accident and on the fourth day of necessary absence from work due to sickness, continuing for a maximum of fifty-two (52) weeks during any period of disability. Period of disability from the same cause shall be considered as separate periods of disability provided they are separated by a return to active employment with the Company for at least one (1) full week.

iv. (1) It shall be the responsibility of the Company to provide to the employee the necessary health and welfare forms.

(2) It shall then be the responsibility of the employee to cause such forms to be filled out and completed by his doctor in order that they can be processed.

(3) The Company shall cause the insurance carrier to remit payments due the employee not less frequently than his normal pay periods.

(b) Medical, surgical and obstetrical coverage in accordance with the standard plan of service provided by Medicare in the Province in which the employee is domiciled.

Where Major Medical Benefits are not provided within the Provincial Medicare Plan in accordance with those benefits provided by the Medical Services Association of B.C., coverage shall be equivalent to the Alberta Blue Cross Plan.

Section 3. **Dental Coverage**

A Dental Plan shall be provided under the following provisions:

(a) coverage for Basic Dentistry for dependent children ages 1 to 18 years inclusive (Plan A).

(b) coverage for prosthetic and restorative benefits for dependent children ages 1 to 18 years inclusive (Plan B).

(c) coverage for basic dentistry for the employee and his spouse and children ages 19 to 25 years if attending school or if mentally infirm and dependent on the employee for support (Plan A).

(d) coverage for prosthetic and restorative benefits for the employee and his spouse and children ages 19 to 25 years if attending school or if mentally infirm and dependent on the employee for support.

Section 4. **Long Term Disability**

(a) i. If at the expiration of the fifty-two (52) weeks allowable for weekly Indemnity, the employee is considered totally disabled, he shall then be subject to Long Term Disability Benefits so long as the disability continues or until the employee reaches age sixty-five (65).

An employee shall be deemed to be totally disabled, or total disability shall be deemed to exist, when the employee is suffering from such a state of bodily or mental incapacity resulting from injury or disease as would wholly prevent the employee from engaging in any employment for which the employee is reasonably qualified by education, training or experience.

ii. In the case of Long Term Disability as outlined above, payment during such disablement shall be in the amount of Four Hundred and Fifty Dollars ($450) per month.

Section 5.

(a) The cost of the Plan as provided in each area shall be borne as follows:

i. Seventy-five per cent (75%) by the Company and,

ii. Twenty-five per cent (25%) by the participating member.

(b) The premium payable by the employee will be made by payroll deduction and made once monthly from the first pay period in each month. Coverage for benefits under the Health and Welfare Program will remain in force for the whole of any month in which the employee works a portion, whether or not the member remains in the employ of the Company for the whole of such month.

Section 6. **Sick Leave**

(a) All regular employees who have one (1) continuous year's service or more shall thereafter accumulate paid sick leave at the rate of one-half (½) day per employed month to a maximum of thirty (30) days. The accumulation of said sick leave shall be based on the following provisions:

i. The employee shall begin accumulation of sick leave on the start of the pay period immediately following the date he completes one (1) year of continuous employment.

ii. The employee must be paid for not less than one hundred and twenty-eight (128) hours in a four (4) week period to be credited for a half (½) day in that month, including vacation and statutory holidays.

iii. Employees absent from work due to leave of absence for any reason, or sickness and compensation, will not accumulate sick leave during this absence.

(b) Paid Sick Leave shall be applied as follows:

Upon completing the seventh (7th) day of absence, four (4) days of which he is entitled to Weekly Indemnity, the employee shall be paid

i. No pay for the first day of absence.

ii. One (1) full day's pay for each of the second (2nd) and third (3rd) days of absence from his regular work days.

iii. A day's pay for employees will be eight (8) hours pay at the regular hourly rate for his classification.

iv. It shall be the responsibility of the employee to claim for accredited sick leave.

(c) Any proven abuse of the Sick Leave Provision will subject the employee to immediate dismissal without recourse to the Grievance Procedure.

Section 7.

(a) Part Time employees shall not be covered under the Provisions of the Health and Welfare Program if covered elsewhere, until such time as they are transferred to the regular employees Seniority List.

(b) Part Time employees shall not be eligible to the following provisions of the Health and Welfare Program in any event:

i. Weekly Indemnity Benefits

ii. Sick Leave

iii. Dental Plan

iv. Long Term Disability

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CONCILIATION BOARD REPORTS

Government Publications

No. 4, 1974

Conciliation Board Reports in disputes between:

Pacific Pilotage Authority and Canadian Merchant Service Guild

Nordair Limited, Montreal International Airport and Canadian Air Line Pilots' Association

Freshwater Fish Marketing Corporation and Retail, Wholesale and Department Store Union Local 561

Air Canada and Canadian Air Line Pilots' Association

CANADA DEPARTMENT OF LABOUR



Hon. John Munro, Minister

T. M. Eberlee, Deputy Minister

Report of the Conciliation Commissioner, Stanley H. Hartt of Montreal, appointed by the Minister of Labour to deal with a dispute involving:

Air Canada

and

Canadian Air Line Pilots' Association

His report was received by the Minister in October.

By an instrument of appointment dated August 22, 1974, the Minister of Labour has appointed the undersigned to inquire into and report on the matters in dispute between the above noted parties relating to the renewal of the Collective Agreement between them which expired on June 1, 1974. The undersigned met with the parties in the City of Toronto on September 11, 12 and 13, 1974 and in the City of Montreal on September 23, 24 and 25, 1974. Despite protracted discussions through and with the undersigned and direct discussions held between the parties, I am obliged to report that the parties were unable to reach an agreement to end this dispute. Accordingly, I am submitting in this report my recommendations for the resolution thereof within the meaning of Section 168 of the Canada Labour Code.

Before explaining the particular recommendations, however, I would like to submit certain general remarks.

These parties have now been in negotiations for over five months. While the issues in dispute are necessarily complicated to an outsider because of the formula pay concept by which pilots are remunerated and because of the complex system of guarantees and limitations as to duty periods and flying hours, they are not so complicated to the parties who understand them quite well. The length of time spent in resolving the numerous issues on the table is not, therefore, related solely to their complexity. Rather, there seemed to be an unwillingness to reveal in a frank manner the true position of each party.

This phenomenon, commonly referred to as crisis bargaining, represents a conscious strategic decision not to deal realistically with the kinds of packages which could bring about a settlement until the backs of the parties are against the wall of economic sanction, i.e., until after the Commissioner's report has been submitted to them by the Minister. The problem with this kind of thinking is that it feeds on itself by inducing the parties to resist concessions on their own side more vigorously because of the length of time it has taken before realism could be introduced and increases the chances of miscalculation. Any fool can say no and divide or multiply by two and it takes no talent to negotiate that way.

Creative thinking with an earnest view towards settlement involves using the Conciliation Officer and Commissioner or Board stages for what they were intended to do, namely to enable the parties to find a middle ground through the services of a neutral, experienced party with whom they could explore tentative positions in confidence without being committed to them. If the Commissioner stage is regarded as a penny gum-ball machine into which you place a coin, turn the handle and see what comes out, after which the parties begin in earnest their discussions once the strike date has been set, the Commissioner stage (or the Board stage) is a useless procedure.

I have recommended before in other reports that the Minister use more frequently his option not to appoint a Commissioner or Board as one means of inducing the parties to commence to deal with each other realistically at as early a stage as possible through the uncertainty which such a use would generate. I wish to emphasize that these parties were by no means the worst practitioners of crisis bargaining that I have seen, but I do wish to record my feelings that they were not willing to make at this stage concessions which they must know they will be obliged to make sooner or later either when a strike is imminent or after it has lasted for some time. I feel strongly that a strike in the circumstances of this dispute would be a useless, wasteful and unnecessary event generated more by the dynamics of this bargaining round, the personalities involved, and the positions they have been frozen into by the length of time which has elapsed since negotiations began, than by any issue which was a *sine qua non* to either party.

This report has been written with a view to setting forth a reasonable middle ground between the positions of the parties upon which they could well afford (on both sides) to conclude an agreement. Being unwilling to put water in one's wine and hoping that the threat or actuality of economic sanction will bulldoze the other party to accept a settlement more to one's liking is not a responsible way to negotiate labour agreements. The parties are urged to consider the recommendations set forth herein in a spirit of true conciliation.

It has also occurred to me to mention in previous reports, and I mention it here again because it is applicable, that foreknowledge that officials of the Department of Labour would not be immediately and plentifully available to help the parties solve their problems should the matter go so far as the imposition of economic sanctions, might also lessen the propensity toward crisis bargaining in this country because the parties would learn that the price of being too tough by half was a prolonged, costly and often useless strike or lock-out.

I would make the following recommendations for the final resolution of all items in this dispute:

Term

The parties have become accustomed during their last three agreements to a rhythm of rather short contract terms. The expired agreement was for a duration of sixteen months. Throughout the negotiations the pilots urged most strenuously that the new agreement to be concluded be for a fifteen-month term. Attempts to induce them to agree to lengthening the term which they could accept, in order to induce the company to make correlative concessions on a number of other issues on the table, were met with very strong resistance. It appeared that term was for and of itself an important consideration for the pilots not linked in the usual manner to the monetary settlement. In other words, in the classic case where the wage demands of the union are thought to be too high, a company responds by saying it might be possible to improve the company's monetary offer if more term were to be provided.

This union's resistance to a more lengthy term was not based on any effort to keep the percentage increase in wages in as high a

relationship as possible to the number of months in the term. Rather, the concern of the pilots in this dispute appeared to be to retain the freedom to review more frequently the application of scheduling parameters and pilot guarantees as applied by the company after each new contract. For this reason, it was very difficult to envisage a "trade-off" which could induce the pilots to accept more term. The company for its part, has recently completed rather longer agreements with its other groups and was hoping for an agreement as long as twenty-four months, if not longer, with this group.

My own feelings are that the public interest is better served, as well as the interests of the parties, if their difficulties can be resolved for a longer period instead of for a shorter one. I am persuaded that by agreeing to a longer term, the contract package can be made more attractive for the employees and the company would have the benefit of industrial peace for a greater length of time. I am not persuaded that each of the working conditions issues put on the table by the pilots can be dealt with purely as a matter of principle. All of them surely have aspects which go to principle, and can be justified in terms of principle, but it is unrealistic to assume that the company is not obliged to look at the cost even of principles. The company in classic industrial relations terms is able and prepared to offer a better package for a longer term and with this in mind, I am recommending a term of eighteen months, commencing June 2, 1974 and expiring November 30, 1975.

Wages

During much of the time spent at the Commissioner stage, the parties debated other issues, both apparently agreeing that this contract would provide in any event for the payment to the pilots of the "going rate". It was evident when the specifics of the monetary package came to be discussed that there was no agreement on what "going rate" meant. Based on a recently concluded agreement between the pilots and Canadian Pacific Airlines, the pilots seemed to assume that the guideline for wage increases was 1 per cent per month.

The other monetary aspects of the Canadian Pacific settlement were never compared in cost or percentage terms to those in the Air Canada-CALPA proposals with any precision. It is my impression that the wage recommendations set forth below come as close as possible to the "going rate" concept while allowing some room in the money package for items which are over and above the percentage increases to be applied to the rates of pay.

Two of the other monetary items require some comment. The pilots were looking to increase the percentage Captain's pay provided to first officers by one percentage point and to second officers by two percentage points. The desire here seems to deal with the fact that second officers appear to have a much larger differential with their counterparts in United States airlines than do Captains. The company's objection to the two percentage point increase for second officers was that such an arrangement would wreak havoc with their "training ladder." The "training ladder" is a progression which pilots are expected to follow, rising from second officers on the lowest paid equipment to the highest paid, commencing as first officers on the lowest paid equipment and rising to the highest and then commencing as Captains on the lowest paid equipment and rising to the highest paid. It is true that granting the pilots' demand would result in the anomaly that the highest paid second officers could conceivably earn more than the lowest paid first officers, but the pilots pointed out that the amount of the excess was so small as to really not represent any inducement to a pilot to remain a second officer on, say, a 747 instead of progressing to first officer on a DC-9 where, among other things, his further progress up the training ladder would begin.

The other item in dispute was the adjustment to be made to flat salary pilots (pilots in their first two years of service who have not yet gone on formula pay). Significant adjustments had been made for such pilots in the recently concluded C.P. Air agreement. In compromising these two demands which the pilots have made in this dispute, I am considering not only the merits of the individual issues at hand but the entire cost of the package. The pilots' negotiating team seemed to have a mandate to achieve a package which cost the same percentage of payroll in relation to term as the recently concluded C.P. Air agreement, but they were unwilling to add into the cost of the package items to which they thought they were entitled as matters of principle because they represented rules designed to correct what the pilots considered to be abuses by the company in the utilization of pilots under the expired contract.

Unfortunately, I am not able to accept either aspect of such reasoning. The best settlement that anyone could hope for, and the one that he should continue to press for, is the last possible cent that he can extract from the company by serious and earnest bargaining. A negotiating committee does its job when it extracts the best possible settlement from the company and it does no good to have artificial minimum limitations if the company cannot or will not meet them. Similarly, it does no good to say that matters of principle are not properly added into the cost of a package. Companies are perfectly well entitled to consider the total outlay even if part of it is to correct an alleged abuse or unfairness for some group of its employees. Accordingly, my recommendation on wages is as follows:

> Effective June 2, 1974 all rates of pay are to be increased by adding a 10% increment to all pay parameters including overseas over-ride and nav-aid pay.
>
> Effective April 1, 1975 an additional 6% increment to the then-existing pay parameters.
>
> Effective June 2, 1975 increase first and second officers percentage of Captain's pay by 1% respectively.
>
> Effective June 2, 1975 increase the pay of flat salary pilots by $60 per month.

727 Rates of Pay

Whenever a new aircraft is introduced, the parties are obliged to negotiate to fit it into the formula pay concept. This requires that they agree on gross weight, air speed and day and night rates. Accordingly, I would recommend that Article 4.01 of the agreement be amended to provide for the B-727-200 day-$19.16 — night-$25.16, that Article 5.02 be amended to provide for 485 miles per hour for Boeing 727-200, and that Article 6.02 be amended to provide the weight of 195,000 lbs. for the Boeing 727-200. These rates are intended to take effect before the increases to all pay parameters scheduled for June 2, 1974.

Reserve Days Off

I would recommend that effective January 1, 1975 pilots on reserve have two additional days off per month over and above those presently provided for in the contract.

Uniform Maintenance

I would recommend that effective the block month following ratification, the uniform maintenance allowance be increased to $18 per month.

Meal and Gratuity Allowances

I would recommend that the parties agree by Letter of Understanding annexed to and forming part of the Agreement, to increase the meal allowances, effective the block month following ratification, to the following amounts:

Breakfast – $3.50
Lunch – $4.00
Dinner – $8.50
Snack – $2.00

and that there be added a gratuity allowance to cover the cost of gratuities which a pilot is obliged to incur of $1.50 per day applicable only to trips on which a layover is involved.

Holdover Credits

One of the most crucial and hotly debated issues of these negotiations was the union proposal for a bank plan. Summarized as simply as possible, the problem is that although pilots are limited in monthly flying hours to 75, there are various ways in which the 75 hours can be increased, notably by what is known as the outbound extension rule whereby a pilot may leave on a trip provided that when he reaches the furthest point from home base, he will still have less than 75 hours of flying time to his credit in the month, in which case, he is also "legal" to return to home base. This additional flying occurs not only through normal block expansion delays incurred in the completion of a month's flights (which a pilot holds by virtue of the bidding system) but also through drafting and make-up for cancelled flights or flights missed because of training or other requirements.

The pilots contended that 75 hours flying time is a limit in the agreement for good and sound reasons and that the company too often counts on the outbound extension rule to permit it to effectively plan on utilizing pilots at more than 75 hours a month. In fairness, it must be said that none of the block schedules are ever so close to 75 hours that mere foreseeable delays ought to increase the block to more than 75 hours. Nevertheless, the company made a major point out of its pilot utilization, which apparently averaged 73.12 hours a pilot a month which is close enough to 75 that, if we remember that it includes all reserve pilots who stand by for flights and do not hold blocks and do not necessarily fly even as much as the minimum guarantee of 62 hours a month, we are entitled to conclude that the incidence of exceeding 75 hours in the month must be quite high.

The purpose of the bank plan is twofold. It is first to remove any incentive from a pilot who consistently exceeds his 75 hours of flying in a month in order to increase his earnings. This would redistribute flying more evenly amongst other pilots and potentially make it possible for some reserves to earn more than their minimum guarantee. It would also require the company to staff with more pilots. The second purpose is to even out the earnings of pilots so that a pilot who exceeds 75 hours in one month and fails to achieve this level in another, will not receive vastly disparate pay cheques at the end of each month.

The proposal as outlined by the Association would work as follows: the actual flight time and credits for a pilot in any month would be calculated and if they exceeded 75, the pilot would be paid for 75 hours and credited with any excess at maximum rates for the equipment flown (i.e., the flying would be deemed to have been at night on an overseas trip with all differentials applicable) and be credited to his "bank." The pilot would draw on his bank in a subsequent month by dropping flights but being paid for his hours in his bank, and credits unused would be carried forward until utilized. A pilot whose bank credits exceeded twenty hours would be obliged to drop a flight or flights to bring his credit below twenty hours. Furthermore, once in each vacation year, in conjunction with and either before or after one of his designated vacation periods, the pilot would be obliged to deplete his bank credits by dropping flights and by taking additional time off so that the bank would be at 0 at such time at least once in every year.

The company has objected to the bank for several reasons. In the first place, they argue that the time for implementing such a proposal should be extended not only because of the time required to train the additional reserve pilots needed to make it possible to cover the dropped flights, but also because the company is in the midst of a computer conversion and all programs presently on its computers are frozen until the new computer equipment is available, which, they say, represents eighteen months from now. They further deny that the company has planned on any unfair utilization of the outbound extension rules, but state rather that pilot utilization has been a function of training programs which for one reason or another have left the company understaffed in the past, a situation which has now been corrected and ought not to recur. Finally, the company states that any banking plan must provide additional flexibility for the company in the scheduling of pilots and, among other things, should include an expansion of the present outbound extension rule and the right on the part of the company to purchase bank hours if this is the only manner in which flights can be covered.

The repurchase aspect was the most hotly controversial of all the discussions held with the Commissioner. The pilots correctly complain that an outright, pure and simple right to repurchase would defeat the purpose of the bank since a pilot could be paid off at any time and he could find himself in a position of merely having lent to the company the pay he was entitled to for the flying time accrued in an earlier month. Any right to purchase must be consistent with the purpose of the plan which is to induce the company to stop using pilots more than 75 hours a month, because there is no advantage to so doing. On the other hand, I am persuaded that the company must have some right to repurchase, limited and conditioned as it may be, so as to prevent abuses. Accordingly, I would recommend that a holdover credit plan be established on the following basis:

1) 75 hours of flight time and credits shall constitute the monthly maximum of flying for any pilot and the maximum for which he shall be paid. All flight time and credits in excess of 75 hours accumulated in any one month shall be dealt with by paying to the pilot all of the night hours flown or credited and so many of the day hours flown or credited as is necessary to increase the pilot's monthly earnings to the equivalent of 75 hours (½ days – ½ nights). All remaining daytime hours shall constitute flight time holdover credits expressed in terms of hours. Hours shall be credited as daytime hours and shall be utilized as daytime hours, subject only to item 3) below;

2) Any pilot with 20 hours or more to his credit shall be required to drop a flight or flights in the next three (3) succeeding months, which flights are to be chosen at the pilot's discretion, subject only to certain blackout periods during which no flight may be dropped. Blackout periods shall be agreed to between CALPA and the company, shall not exceed in the aggregate sixty days a year, and shall be designed to cover the company's peak periods of operation, e.g., December 20 to January 3. A pilot with vacation time falling in a blackout period shall nevertheless be entitled to drop a flight in conjunction with his vacation. Pilots desiring to drop flights shall so indicate at the time they are bidding for blocks in the subsequent month and such advice

shall be specific as to which flight or flights shall be dropped. A pilot shall be obliged to drop an entire sequence and not part thereof;

3) Within five days of the awarding of the blocks for any months, the base flight operations director shall advise the local executive council of CALPA if, on the basis of the projections resulting from the flights to be dropped as aforesaid, he will not have sufficient pilots at his base to complete the flying requirements. In such a case, and for such month only, the company shall have the right to repurchase flying time and credit hours from pilots' holdover credits subject to the following:

   a) all hours purchased shall be paid for as night hours instead of day hours;

   b) no individual pilot shall have more than one-third of his holdover credit hours purchased nor may holdover credit hours be purchased from any individual pilot more than once in any year;

   c) the company may not purchase more than 10% of the total holdover credit hours of all pilots at any base in any one month;

   d) no holdover credit hours may be purchased which exceed those necessary to cover the available flying at the base for the month in question.

4) When, due solely to block expansion, and not to drafting or make-up or any other cause, a pilot would not otherwise be legal to complete the last sequence of the month, he shall be legal to complete same if prior to departure from home base he has less than 75 hours flying time and credits for the month. In such a case, he shall be legal to complete any sequence started on this basis. The outbound rules shall remain as at present for reserves.

The foregoing does not purport to be contractual language and the parties will have to agree on language for the implementation of the holdover credit system. My recommendation is that the holdover credit system be put into effect on the last day of the contract, namely, November 30, 1975.

Co-Terminal Operations

I would recommend that the following clauses be added to the Agreement:

2.26 Co-Terminal: Two or more airports serving the same metropolitan area into which the company operates;

17.06.01 Pilots based at a "Co-Terminal" whose trip sequence originates at one airport and terminates at another airport within the "Co-Terminal" will have mutually agreed travel times added as an extension to the last portion of the final trip for the purposes of the special flight time and pay credits as described in Article 17.12 and the company will provide expeditious transportation between the "Co-Terminal" airports. A pilot shall be entitled to one-way transportation between airports in a "Co-Terminal" at his home domicile on each such trip sequence and shall indicate in which direction, and whether in conjunction with his originating flight or his terminating flight, at the time of bidding his block, or, for flights not forming part of his block, at the time of receiving his flight assignment;

.02 Any pilot arriving at one airport and then departing another airport at a Co-Terminal, in one duty period, shall receive deadhead credits as applicable in Article 12;

.03 Pilots not domiciled at a metropolitan area considered a Co-Terminal operation when arrival is at one airport and departure from another airport at such metropolitan area with an intervening off-duty rest period as described in 17.02.01 shall under these conditions have a rest period of not less than ten hours.

Hold Harmless

In the event of an accident the company is often protected by the rules of International Conventions which limit its liability toward any particular passenger or owner of cargo. The same provisions do not always apply to protect a pilot who may allegedly be at fault, wholly or partly, for the accident in question and there may, therefore, be an incentive on the part of the party suffering loss in an accident to proceed against a pilot or his estate for the amount by which the actual loss exceeds the limit for which the company is liable as set forth in the International Conventions. Many airlines have made it a practice to hold pilots harmless from this kind of suit and the pilots have asked that Air Canada do likewise. The Commissioner believes that it would be in the best interests of all parties concerned to deal with this matter outside the scope of negotiations and the Agreement because, were it to become known that Air Canada has agreed to indemnify its pilots, this could invite suits from parties who would no longer have to be concerned with the pilots' net worth. The Commissioner believes that such a hold harmless clause and indemnification is both right and appropriate and recommends that one be agreed to, but that its text not form part of the Agreement.

Removal of Letters of an Adverse Personal Nature Twenty-Four Months After Insertion in the Pilot's File

Such an item is common practice in industry where prior disciplinary incidents cannot be used in a subsequent disciplinary case based on the culminating incident theory. I would recommend that such a clause be incorporated in the Agreement, but that it provide for letters and evidence of infractions of a personal nature only, and that such clause not apply to matters relating to his technical competency as a pilot.

Appendix "A"

During the negotiations, the parties identified certain items by referring to them as Appendix "A" items. This had to do with the fact that in earlier sessions with the industry specialist, various mini-packages had been prepared for the purpose of removing a number of issues from the table, either by resolving them or dropping them. Appendix "A" is annexed hereto and I would recommend that all the items contained in said Appendix "A" form part of the next Collective Agreement. [Appendix "A" not reproduced.]

"Z" Items

During negotiations with the Commissioner certain items were identified as "Z" items. These are items which were still technically

on the table but of relatively minor importance. All represented union demands. The union agreed that, having regard to the tightness of time, and the relatively minor nature of these items, that they would rely on the good faith of the company and that either these items would be resolved by mutual agreement as to text and appropriateness, or they would be dropped. I would recommend that, if the parties find this report otherwise acceptable as a basis for the settlement of a new Agreement, they meet and determine which of the said items can be incorporated in the Agreement. All items not satisfactorily dealt with at such meeting would be dropped by the union and would not be included in the next Collective Agreement.

Other Items

This report is intended to be a complete one as to all matters in dispute and is intended to resolve the dispute. All items not specifically dealt with are therefore intended by me to be treated as dropped and not to be included in the next Collective Agreement. These items include two company demands for improvement of the wording of the grievance procedure and the insertion of a Management's Rights clause. In view of the union's attitude on the so-called "Z" items, my recommendation would be that the company drop these two proposals. This does not mean that I do not think that the grievance procedure cannot stand some improvement. Indeed, it is a most cumbersome text and should be revised. However, it is consistent with my philosophy that the parties must also help themselves, and if they cannot agree on so obvious a matter prior to reaching the Commissioner stage, it is inappropriate to ask the Commissioner to act as a draftsman when there is little else on the table of major importance. The Management's Rights clause was hotly contested by the union and the company will have to bargain for and obtain such a clause at the next round if it wishes to have the general law on the subject modified by contractual language.

Of the union demands, a number were very important items for the union negotiating committee. One of the most important was what was called the "short haul DC-9 fix." This was a rule designed to deem each flight leg (each take-off and landing) as being the equivalent of one hour for pay and credit purposes. This was intended to alleviate a condition whereby DC-9 pilots find themselves taking off and landing with great frequency during the same duty day. For example, it is entirely possible for a Toronto-based pilot to fly from Toronto to London, Ontario, and then to Cleveland, and back via the same route (four take-offs and landings), then walk halfway across Terminal 2 to take another flight to North Bay, Sudbury and back.

On the theory that checking the aircraft prior to take-off and effecting the take-off and landing is the period of greatest strain in a pilot's work day, the union felt strongly that some device was needed to be found in order to limit the utilization of pilots in this matter. By dealing with each take-off and landing as being worth one hour, the limits as to duty day and monthly flying hours would be reached faster so that the extra stain of this particular kind of work load would be alleviated at least over a one-month period.

The proposed solution has the attraction that it would very clearly accomplish the purpose for which it was intended. At the same time, the company properly objects to the artificiality of the rule in relation to the problem (i.e., Toronto will never be any closer to London, Ontario and Cleveland will never be a more pleasant place to visit solely because of such rules). This rule would also involve additional staffing in order to cover the flights which could not be scheduled for under present manpower complements. Staffing takes time and involves training not only of those hired but of each of those bumped up the training ladder by virtue of the injection of new blood at the bottom. Thirdly, the penalty in premium pay attaching to the implementation of such a rule would very much increase the cost of this Agreement.

At one time during the negotiations, it was tentatively suggested that the parties have recourse to arbitration on this issue. The company would have preferred an arbitration to examine generally the working conditions of DC-9 pilots to determine whether they are in fact so adverse as the union committee made out, whereas the union would have preferred an arbitration restricted solely to the appropriateness of the particular device suggested to solve the problem and the alleged cost thereof. Neither party could agree with the other that arbitration on the other's basis was an appropriate way to deal with this issue. The company for one could not see itself being exposed, after agreeing to a definitive and expensive package, to a contingent liability representing a significant percentage of payroll.

For all of these reasons, and without suggesting that DC-9 working conditions are or are not the most pleasant in the world (being a Conciliation Commissioner is not all that pleasant either), and without commenting on the appropriateness of the remedy suggested by the union, I would recommend that no provision be added to the new Collective Agreement relating to DC-9 working conditions.

As stated above, I firmly believe that the parties can and should resolve their dispute on this occasion by accepting as their new Collective Agreement the terms and conditions contained in the recommendations of this report.

(Sgd.) Stanley H. Hartt,
Conciliation Commissioner.

September 30, 1974.

Report of the Conciliation Commissioner, J. S. Gunn of Winnipeg, appointed by the Minister of Labour to deal with a dispute involving:

Freshwater Fish Marketing Corporation

and

Retail, Wholesale and Department Store Union Local 561

His report was received by the Minister in September.

As Conciliation Commissioner appointed on September 4, 1974, with respect to the dispute affecting the above noted parties, I must report that it was not possible to arrive at a resolution of all items in dispute between them.

I met with the representatives of the parties at Winnipeg, Manitoba, initially on Tuesday, September 10, 1974, and again on September 13, 16 and 19.

The Freshwater Fish Marketing Corporation, a federal Crown corporation, was established in 1969 for the purpose of marketing and trading in freshwater fish, fish products and by-products. It has the exclusive right in interprovincial and export trade to market the fish products of the provinces participating in the program. At the present time these provinces are Northwestern Ontario, Manitoba, Saskatchewan, Alberta and Northwest Territories.

The bargaining unit is made up largely of unskilled labour at the plant at Transcona, Manitoba. A labour force of 150 full-time employees is supported by short-term employees, possibly 150, engaged during peak production periods June, July, September and October.

The management structure of the corporation includes a board of directors, eight in number, from the participating provinces. Financial assistance has been received from the Government of Canada as well as from the participating provinces to offset the considerable financial losses occurring since 1971.

The parties are negotiating the third agreement between them since 1969. The corporation has given voluntary recognition to the union as the exclusive bargaining agent for all plant employees with exception of office staff and stationery engineers. The latter are represented by the Public Service Alliance.

At the commencement of these meetings the outstanding requests fell into two categories; requests involving substantial financial cost as in the case of wage demands and requests for new operational procedures to achieve, in the corporation's words "flexibility in the use of production employees to gain greater efficiency." At the present time seasonal labour receive all the benefits contained in the agreement.

Much progress was made in redrafting the existing agreement in the direct negotiations carried on intermittently since the agreement expired on March 31, 1974. During August conciliation officer, H. A. Fisher met with the parties and despite his sincere and much appreciated services to reach a full settlement no significant progress was made.

As mentioned, I met with representatives of the parties on September 10, 13, 16 and 19. At the meeting on the 19th, the issues that had been agreed to in our previous meetings were carefully reviewed and understood and therefore need no restatement in this report.

The remaining issues were also carefully defined. I now make brief comment on these and recommendations for settlement.

WAGES: This is the major issue to be resolved and it is my opinion, which I think is shared with representatives of the parties that all issues now outstanding can be quickly put together with agreement on the money question.

At the start of our talks the corporation's wage offer was 11% in the first year of a 26-month agreement (8% to be retroactive to anniversary date of April 1, 1974) and a further 12% for the second period. Both percentages to apply to current agreement rates.

The union's position was for an increase of 95¢ per hour across-the-board for the first year of a 24-month agreement with a further increase of 90¢ per hour in the second year. Both adjustments to be added to current rates. This represented, percentagewise, increases of approximately 30% and 28% over 24 months in the case of the basic and predominant labour rate of $3.15 per hour.

At the meeting of September 19, the Corporation made a final "package" proposal. This was rejected by the Union. The Union in turn made a counter offer very substantially above the Corporation's offer in wage terms and in addition proposing — for the first time — the inclusion of an escalator provision calling for adjustments every three months of 3¢ per hour for every one-half point increase in the cost of living index since April 1, 1974. This proposal was rejected by the corporation on the grounds that the union's wage position had not altered noticeably in total cost and that the introduction of an escalator clause at this point in time could not be entertained when previous wage proposals by the Corporation had given recognition to increased living costs.

I have endeavoured to give full consideration to the respective positions advanced by the parties and to the statistical support used. This has been difficult but having regard to the private talks I have had with each side I think the following proposal is meaningful:

(a) Effective April 1, 1974 — 15% increase across-the-board
Effective April 1, 1975 — 15% increase across-the-board

(Both adjustments to be on current rates)
Agreement to expire March 31, 1976
Adjustment to be retroactive to April 1, 1974 for all hours worked.

(b) Other wage adjustment:
(i) Premium for Freezer Room Workers — 10¢ per hour.
(ii) Process Labour (Seasonal) —

All new employees in this classification to be paid 25¢ per hour less than Process Labour (Regular) for first full 100 shifts including the probationary period. (100 shifts to be cumulative and not confined to period of the calendar year.)

(c) Vacations with pay:
Agreement article to be amended to provide for three weeks' vacation with pay based on 6% of employees total earnings, to be effective for those employees who have acquired three years' seniority as of January 1 of the vacation year.
(Agreed to at meeting of September 19.)

(d) Straight-time shift provision to Maintenance employees denied.
(Agreed to at meeting of September 19.)

(e) M.H.S.C. premium provisions in effect to June 1, 1973 to be continued. Payment of this extra compensation will be supplementary.

(f) All other items previously agreed to.

(Sgd.) J. S. Gunn,
Conciliation Commissioner.

Report of the Conciliation Commissioner, Professor Perry Meyer of Montreal, appointed by the Minister of Labour to deal with dispute involving:

Nordair Limited, Montreal International Airport

and

Canadian Air Line Pilots' Association

His report was received by the Minister in October.

My meetings and sittings as Conciliation Commissioner took place on June 25, 27 and 28, 1974, July 16, 1974, August 23, 1974 and September 12 and 27, 1974. The parties extended my mandate from time to time, the last extension received being until October 15, 1974. Most of my sittings were joint meetings with the parties in order to make serious and intensive efforts to conciliate and mediate this dispute and to arrive at a collective agreement freely entered into by the parties. However, the parties were unable to budge from certain clearly defined positions with regard to specific issues and we were finally obliged to conclude our hearings on August 23 and September 12, 1974 with the formal presentation of written and oral briefs and the filing of exhibits.

It had previously been agreed between the parties that these presentations and my report should deal only with certain outstanding issues which each party defined as its priorities or major demands. The present report will thus not attempt to deal with a number of minor or peripheral issues which in the minds of both parties are negotiable and which they believe can be settled between them if the major issues which will be dealt with in this report can be resolved.

Because the parties had originally indicated their preference for a conciliation board rather than a conciliation commissioner, and at their request, I permitted them to name assessors, these being Raymond Caron, Q.C. for the company and John Keenan, General Counsel for CALPA. The assessors participated in most of the meetings and the final meeting on September 27, by agreement between the parties, was attended only by these assessors and the undersigned, the parties and their attorneys having completed their presentations. The assessors for the parties also met separately together without the undersigned on at least one occasion, in addition to other meetings which they held with the parties who named them, none of these meetings being included among the sittings of the undersigned Commissioner hereinabove referred to. . . .

I regret that my intervention as Conciliation Commissioner has not succeeded in enabling the parties to arrive at a collective agreement at this stage. This is due to a number of factors, primarily the fact that the parties' positions remained too far apart on the issues which I will discuss below. Nevertheless, I must emphasize that I am extremely grateful for the co-operation of both parties who made complete and full presentations of their cases and whose assistance has been invaluable to me. The issues between them were fully traversed and exposed at the sittings I held, and if no agreement has yet been possible it is not due to any lack of negotiating in good faith but simply the result of various circumstances that have thus far made it difficult for them to concede or compromise on certain positions they have taken. Nevertheless, I am hopeful that subsequent to this report it may well be possible that through further intensive negotiations a collective agreement may be arrived at without any stoppage of work. However, I must emphasize that I was unable to continue any longer in my role as Conciliation Commissioner as it has been made clear to me at this stage that this would not facilitate arriving at an agreement, and that if an agreement is to be arrived at this will only be the result of further discussions to take place after my report has been filed and the right to strike has been acquired.

I will now proceed to deal with those issues which the parties have defined as their priorities or major demands and which they have agreed should be the object of my report, to the exclusion of all other outstanding issues between them. My recommendations in connection with these outstanding matters in the present dispute are as follows:

A. Major Demands or Priorities of Nordair Limited

1. Frobisher Bay

The employer has asked that the minimum daily guarantee be reduced from four flying hours a day to three flying hours a day together with an increase of assignment periods from two weeks maximum, excluding travelling time, to three weeks maximum, excluding travelling time.

The present agreement, which came into force on April 1, 1973 and continued in force until March 31, 1974, subject to renewal, provides in clause 22.13(b) that for each period a pilot is assigned to flying operations away from Montreal he is guaranteed four hours a day pay and flight time credits. This applies to all pilots, whether flying on northern or southern routes. In the case of northern tours, pilot scheduling rule 20 provides that these tours shall not be more than two weeks duration except for emergencies. These guarantees are entirely independent of whatever minimum pay, in terms of monthly hours, is provided elsewhere in the agreement for all pilots. Basically the company alleges efficiency as the reason for increasing Frobisher Bay tours of duty from two to three weeks, as it claims this will facilitate its operations and scheduling problems considerably and enable it to make much more efficient use of its junior pilots. If this is done for Frobisher Bay, guarantees for these pilots will obviously become excessive as they will amount to twenty-one days at four hours a day and hence the company wishes to reduce the daily guarantee to three hours. The union argues that this change represents a backward step and is unnecessary as the company is able to operate efficiently with the two week and four hour a day system now in effect.

Recommendation

That the status quo be maintained.

2. Maximum Age for Conversion

The company desires to incorporate a provision in the agreement to the effect that there shall be no conversion to new equipment if a pilot is within three years of his retirement age, and further that if he is retrained at the age of 57 or older the pilot shall undertake to remain with the company for a minimum period of two years after being retrained on new equipment. This demand is related to the retirement age which is another issue between the parties as we will discuss later, but assuming a retirement age of 65 the company does not wish to have pilots entitled to convert to new equipment from age 62, whereas if the retirement age were 60 this would be age 57. The company's arguments here are economic as substantial sums are involved in training a pilot for new equipment and upgrading him. The pilot derives benefits in terms of increased earnings and so does the company provided the pilot remains in the company's employ, but when the pilot is approaching the end of his career it becomes uneconomical to retrain him. The pilots on the other hand do not object to having retraining refused within three years of retirement age but wish to be paid as if they were on the more expensive equipment even if they are not so retrained. This practice is already in force in some airlines.

Recommendation

That the company may refuse to retrain any pilot for conversion to higher equipment if the pilot is within two years of his retirement age but that in such event the pilot, if otherwise entitled to apply for conversion to the new equipment, be paid at the higher rate thereafter in the event that the company does not desire to retrain him. Moreover, should the company accept his request for retraining, a pilot should undertake to continue working for the company for a period of at least two years subsequent to retraining, and that this should apply to all pilots who are retrained within three years of retirement.

3. Days Off

The days off system now works so that these are accumulated whenever the cancellation of a day off results in the pilot not having two consecutive days off. Thus when three days off are scheduled in a row and the pilot is obliged to fly on the middle day there will become owing to him more than the day off that was cancelled in virtue of clause 21.02(g) of the agreement which guarantees that days off each month are to be granted in periods of not less than three 48-hour periods, one 72-hour period and one 24-hour period. Days off can thus be accumulated and/or paid off in excess of those actually lost. Furthermore, the company points out that working on a day off is at the option of the pilot. The company feels that it is illogical to compensate for or permit the accumulation of days off other than those actually lost by working on a day off. The Association on the other hand feels that this would constitute a retrograde step involving an acquired right and that consecutive days off should not be broken up unnecessarily by asking pilots to work. If overtime is truly voluntary, pilots could presumably refuse to work on a day off if this breaks up a weekend or is on the middle of three days off — unless, of course, they do not mind. However, CALPA says refusal is often impossible. Although I am in sympathy with the employer's position, I have not at present enough information to satisfy recommending a substitute arrangement for the status quo.

Recommendation

That consideration be given to devising a method of allowing accumulation of extra days off only where overtime is not truly voluntary; and that the status quo be maintained in the interim.

B. Major Demands or Priorities of CALPA

1. Retirement Age

While the pension plan for the company is geared to retirement at age 65 in order to receive full pension benefits, Nordair pilots have traditionally retired at age 60 in the past, and as a result had to accept an actuarially reduced pension benefit. In June 1974 during the present negotiations the company unilaterally changed the normal retirement age for pilots to 65 years. CALPA feels very strongly that the retirement age should be maintained at 60 years. This view seems to be in accordance with prevailing conceptions of safety standards, as well as general practice in the industry, although some companies still maintain higher retirement ages. Moreover the regulatory bodies and international associations concerned with this problem seem in agreement that retirement at age 60 is more desirable than at age 65. It is also common knowledge that in so far as safety is dependent on the physical co-ordination of the pilot, his general health, reaction time, susceptibility to heart attacks and other illnesses, etc., the statistical odds in favour of an incident which could have serious repercussions become much greater as one gets older, particularly after age 60. All in all, the pilots' submission on this point seems to be an extremely sound one from the public's point of view, whatever the employer may feel to be the extraneous motivations leading the Association to make the request, or whatever the company's interests might dictate. Consequently, I feel that in this instance the public interest is completely in accord with the request made on behalf of the pilots, and I have no hesitation whatsoever in endorsing it.

Recommendation

That retirement age for pilots be at 60 and not at 65, and that this rule be strictly enforced at all times, notwithstanding the desire of any individual pilot or of the company, in any particular case.

2. Pension Plan

As already stated, the present scheme is geared to retirement at age 65, and is based on two per cent per annum, subject to an actuarial reduction if the pilot retires before age 65. The pilots wish to maintain the benefits presently payable at age 65 but to receive these in full upon retirement at age 60 with no actuarial reduction. This would obviously require a restructuring of the pension plan, possibly with increased contributions if it is to be actuarially sound. The anomaly which has existed up to now of a discrepancy between actual retirement age at 60, and full pension benefits at age 65, is probably explicable either in terms of past history or by the fact that the same pension plan covers other employees who do not retire at age 60. In any event, it would seem logical and desirable to have a pension plan on all fours with the actual retirement age. However a certain amount of time would probably be required to phase in such a plan if it is to be actuarially sound, unless benefits were to be less at age 60 than they would now be at age 65, which would be equivalent to the present actuarial reduction. The pilots would also like the plan to be based on the best five years, rather than actual earnings as at present (the company has improved this

somewhat recently up to a cutoff date). The pilots' demands correspond to industry trends, except that some regional carriers have plans based on less than 2 per cent per annum, but containing other features (e.g. retroactivity) which are superior to those in the Nordair scheme.

Recommendation

That the pension plan be restructured to provide for payment of full benefits at age 60 by a phasing-in process. For an interim period, this would seem to require a revised pension plan with lesser benefits at age 60, equivalent to the present actuarially reduced amounts, but increasing over a period of years so that, say, within five years, perhaps utilizing increased contributions, the same level of pension benefits would be reached at age 60 as are now obtainable at age 65, and the plan would provide that such benefits would be based on the best five years of service, rather than as at present.

3. Hours of Service

CALPA has asked that the present monthly maximum of eighty-five flying hours for jets be reduced to a maximum of seventy-five flying hours, while the present monthly maximum of ninety-five flying hours for propellors be reduced to eighty. CALPA agrees, however, that the reduction should not apply to northern routes.

This demand was originally formulated as part of the proposal on wages, and CALPA originally presented its monetary demands in such a way as to include two components, one of which would maintain pay at the present level notwithstanding a reduction in maximum hours, and the second of which would involve a further increase beyond existing pay levels. The final formulation of these demands as transmitted to the undersigned was altered, however, and I will try, therefore, to keep these two demands separate and to deal with the wage demand under a separate heading. In fact, it is obvious that whether hours are reduced or not, the wage package can be considered separately, in terms of what it would involve by way of pay increases to the pilots or additional costs to the employer.

A major argument made by the pilots to justify reducing maximum hours relates to the greater productivity of modern jet equipment as well as the increasing demands on pilots resulting from the greater efficiency and complexity of the equipment, etc. CALPA also feels that the cost impact of a reduction in hours should not be excessive, but this is extremely difficult to judge, and the parties both obviously had much difficulty in calculating the impact of a reduction in hours. The best estimate would appear to lie in the vicinity of 7 to 8 per cent.

It is obvious that the minimum guaranteed flying hours a month would also have to be reduced if the maximum hours were reduced. CALPA suggests that the present minimum guarantee of seventy hours a month be reduced to sixty-two hours a month for jets, while the new minimum for props would be sixty-six hours a month. As already stated, CALPA is willing to maintain the present seventy minimum for northern routes, i.e., Zone 2.

The impact of this demand is extremely hard to judge, due to its complexity. Among other factors, Nordair is the only regional carrier whose pilots are paid on a *formula* basis, like the major national carriers, CP Air and Air Canada, while the other regional lines are paid on a salary basis. This makes for great difficulty in estimating the impact on costs or income of a reduction in maximum flying hours. (The formula by which the pilots are paid is made up of a number of components, including base pay, an hourly component, aircraft weight and aircraft speed.) It would appear that the average flying hours of Nordair pilots are probably in the vicinity of around seventy hours a month.

Most U.S. carriers appear to have a maximum of seventy-five hours for jets and eighty for props, although Eastern Airlines is an exception with eighty hours a month maximum and a minimum of fifty-two hours guaranteed.

From where I sit, the principal arguments favouring a reduction in maximum flying hours seem to be based, at least in part, on industry standards, and on norms or trends generally visible elsewhere, rather than on any inherent desirability of a reduction from the public's point of view. There is no doubt that pilots are under greater strain with modern equipment, at least to some extent, as a result of technological developments in commercial aviation during the past several years. However this factor is probably less important than what is seen by the pilots as a developing tendency to work less for the same pay. While there seems to be some justification for the pilots' position, my hearings did not make it clear that this demand could or should be met fully, at least for the present time. To the extent that this demand is not met, and to the extent that the reason for the demand may be a desire on the part of the pilots to obtain an increase in wages for the same amount of work, which is the same thing as asking for the same wages for less work, this item can really be resolved if the wage package can be agreed upon. It is my feeling that if the parties could agree on the amount by which the pilots' income is to be increased during the forthcoming collective agreement, they would not have nearly as much trouble agreeing on a reduction in hours.

Recommendation

That maximum monthly hours on southern routes be reduced from eighty-five to eighty hours on jets and from ninety-five to eighty-eight hours on props. Corresponding minimum hourly guarantees a month should in such event probably become sixty-five hours for jets. (Normal flying hours, after which overtime is payable, are presently fixed at eighty hours, but the parties appear to be in agreement that this should be deleted, i.e., no overtime rate would be provided for in the new contract.)

4. Wages

Whether maximum monthly hours of service are reduced or not, CALPA's demands for salary increases may be capable of being roughly estimated in terms of increased costs to the employer. CALPA's own brief estimates the total maximum cost impact of its demand for a reduction in maximum hours at a figure of 8 per cent if the existing formula is adjusted to maintain present income, and in fact CALPA claims that the actual impact on payroll should be less than this figure, because there would be no reduction in hours on northern routes. In addition, CALPA is asking for an 8 per cent increase in the overall hourly formula during the first seven months of a proposed fifteen-month agreement and a further 6 per cent increase in the last eight months of the agreement. This latter increase of 8 per cent plus 6 per cent would appear to have an impact of about 11 per cent in all, so that the total wage demand (including reduction in hours) amounts to something in the neighbourhood of 20 per cent as a maximum figure, according to CALPA, although the Association believes that it really should be somewhat less than this. (Note that in Zone 2, i.e., northern routes, only the 8 per cent and 6 per cent increases during the contract would apply since the present maxima and minima with regard to flying hours would remain, under CALPA's proposal.)

The employer at first refused to deal with the wage demand unless and until the other issues were first agreed upon, resolved, or withdrawn from the table. Finally, at one of the last meetings in September, the employer made a counter proposal to the effect that the formula components be revised to give an overall increase in payroll costs of approximately 10 per cent, as compared with the roughly 20 per cent estimated to be the impact of its demands by CALPA.

In support of its demands for the kind of increase envisaged, the Association made detailed comparisons with other airlines, including both regional and national carriers. As a result of the hearings, I am prepared to accept the view that for pilots on a salary basis, seventy flying hours a month has been or should be roughly the number of hours used in order to compare the income of pilots on fixed salary with those on formula pay, although it is possible that in reality an accurate comparison may be so difficult to make that a much more complicated method, which has not yet been devised, would have to be developed.

It is obvious that pilots on formula pay are taking a certain risk, and that their minimum guaranteed pay should be less than the salary earned by a pilot who is being paid on a salary basis, while on the other hand the pilot on a formula basis can also earn considerably more, depending on how much he flies. It is also clear from the hearings that regional carriers tend to lag behind the national carriers so that any comparison with national carriers at a previous time becomes very difficult. On the other hand, some sort of comparison between regional carriers should be possible and is desirable, but is complicated by the fact that Nordair is the only one using formula pay. While regional carriers are far from identical, Nordair certainly does bear some resemblance both to Transair and Pacific Western Airlines, and CALPA feels that its wage scales should fall somewhere between Transair and PWA. PWA is the largest regional carrier, and it is probably to be expected that its wages would be higher than Nordair's. From what I have seen, Transair is probably the best basis for comparison, although Nordair is somewhat larger, and I can understand that the pilots feel that PWA might equally form a basis for comparison.

After receiving lengthy detailed written briefs from the parties with regard to these issues as well as complete oral presentations, I am of the opinion that it would be extremely difficult to pinpoint an exact figure which would be equitable from the point of view of the employer and the Association. However, I am quite sure that the appropriate amount lies somewhere between the demands of the Association and the employer's proposal made at the close of the hearings.

Recommendation

That whether or not flying hours are decreased, the new formula and the flying hours stipulated should result in a payroll increase of about 15 per cent. Assuming a two year contract, I would recommend that this be accomplished by an increase of 10 per cent effective immediately, retroactive to April 1, 1974 and a further 10 per cent in the second year of the contract, giving an overall impact of 15 per cent over the two-year period. If the agreement were for only 15 months, as suggested by CALPA, I suggest 10 per cent at the outset and a further 8 per cent after seven months, for an overall impact of 15 per cent approximately. On northern routes, the hourly increase would have to be lower than on southern routes, this would result from the fact that CALPA's effective demands are lower on northern routes, where no reduction in maximum hours is requested, but only an increase of 8 per cent in the hourly rate in the first seven months and a further 6 per cent thereafter.

Dated at Montreal, this 11 day of October, 1974.

(Sgd.) Perry Meyer,
Conciliation Commissioner.

Report of the Conciliation Commissioner, Hugh G. Ladner of Vancouver, appointed by the Minister of Labour to deal with a dispute involving:

Pacific Pilotage Authority, Vancouver (The Employer)

and

Canadian Merchant Service Guild (The Bargaining Agent)

His report was received by the Minister in October.

By appointment dated September 20th, 1974 I was appointed Conciliation Commissioner in this dispute pursuant to the provisions of Section 166 (a) of the Canada Labour Code.

Pursuant to my appointment I met with the parties on October 2nd, 1974 at Vancouver, British Columbia.

I was unable to bring about a resolution of the dispute between the parties and I therefore now make my recommendations pursuant to Section 168 (1) of the Canada Labour Code.

Originally the bargaining unit was part of a much larger unit which was national in scope and covered by one collective agreement.

Following the Employer being created as a Crown corporation pursuant to the Pilotage Act, the Bargaining Agent became certified for this unit of employees of which there are now approximately 13 in number stationed at Steveston, Victoria and Prince Rupert. Then began the difficult and often long and slow transitional process of coming out from under a large national umbrella enveloping the public service to bargaining as a small independent regional unit.

The parties concluded their first collective agreement in March 1973 covering the period July 3rd, 1972 until June 30th, 1974. They are now bargaining for their second agreement.

It is common ground that negotiations of both the first and this agreement have been difficult because of the transition from a public service agreement to a west coast marine industry commercial agreement, and many compromises have been made by both parties. However it has been the objective of the Bargaining Agent at all times to "catch up" to other commercial agreements on the west coast for similar classifications. This was the subject of much dialogue in concluding the first agreement and continues to be a thorny problem.

Prior to collective bargaining rights being granted to Government ships' officers, the Financial Administration Act was the governing legislation. Section 4 (1) provided:

> The rate of pay of an employee or class of employees shall be such as is determined or approved, from time to time, by the Treasury Board on the recommendation of the appropriate deputy head based on recommendations of the Department of Labour which recommendation *shall be based on rates of pay prevailing in the appropriate area of employment for similar classes of work.*

It was pointed out by the Bargaining Agent, and undenied by the Employer, that the criterion that had been used for the "western region" were the rates paid by the Canadian Lake Carriers Association. These rates were substantially lower than those paid in the west coast commercial industry and as a result, in 1970, a third officer on a Government ship was paid $3.31 per hour, whilst a seaman in the private sector on the west coast was paid $3.44 per hour. This trend has continued since, although some substantial inroads have been made by the Bargaining Agent. However it is significant to note that the agreement recently concluded with the Canadian Lake Carriers Association provided for more than a 65 per cent wage increase over two years.

The above is only a brief and very simplified version of a rather complex history, but I hope points out some of the difficult problems facing this bargaining unit. "Regional disparity" is never a simple problem to resolve in large widespread bargaining units. However that should not now be a problem with this unit because it is regionally located. Therefore other commercial agreements on the west coast can properly be looked to as a guide.

Most of the issues between the parties were settled before this matter came before me. Attached hereto as Schedule A is a copy of an agreement reached between the parties incorporating all those issues that have been settled.

The only outstanding issues are as follows:

1. Work week.
2. First year wage increase.
3. First year upgrading adjustment.
4. Retroactivity.

1. The expired collective agreement is based upon a 40-hour work week. The Bargaining Agent now seeks a 37½-hour work week.

A 37½-hour work week is a common provision in west coast collective agreements and there is no persuasive reason why this bargaining unit should not also have the advantage of that shortened work week.

I therefore recommend a collective agreement based upon a 37½-hour work week.

2. Wage increase — the Bargaining Agent seek an across-the-board wage increase of 15 per cent in the first year of the agreement.

The Employer has offered 12 per cent for the first year.

There is no proposal for a cost of living accelerator clause, but the parties have agreed that the wages for the second year of the agreement are not to be negotiated now, but at a later date.

I recommend a general wage increase of 14 per cent for the first year of the agreement.

3. The Union has demanded what it calls "an upgrading adjustment" of $100 over and above any percentage increase to bring it closer to parity with wage rates for similar classifications on the west coast.

This might otherwise be called a "catch-up" demand.

I have considered all the submissions made by both parties and other agreements in the industry. It is clear to me that some degree of "upgrading" or "catch-up" is required and I therefore recommend an upgrading adjustment of $50 over and above the percentage increase of 14 per cent noted above.

4. The Bargaining Agent demands retroactivity of the new wage scale to July 1st, 1974.

I so recommend.

DATED at the City of Vancouver, in the Province of British Columbia, this 7th day of October, A.D. 1974.

(Sgd.) Hugh G. Ladner,
Conciliation Commissioner.

AGREEMENT

BETWEEN:

THE PACIFIC PILOTAGE AUTHORITY
(hereinafter called the "Authority"),

AND:

THE CANADIAN MERCHANT SERVICE GUILD
(hereinafter called the "Guild"),

representing the Pilot Launches consisting
of the Launchmasters and Launchengineers,
employed by the PACIFIC PILOTAGE AUTHORITY,
(hereinafter collectively called "Officers").

WHEREAS the general purpose of this Agreement is to ensure for the Authority, the Guild and the said Officers the full benefits of orderly and legal collective bargaining and to ensure to the utmost extent possible the safety and physical welfare of the Officers and the good standards of service to be rendered by them.

NOTWITHSTANDING any Article of this Agreement between the Pacific Pilotage Authority and the Canadian Merchant Service Guild, the provisions as provided in "An Act Respecting Pilotage" referring to the Pacific Pilotage Authority, employee status and benefits shall take precedence.

1. AUTHORITY OF THE LAUNCHMASTER:

Nothing in this Agreement shall be construed in a manner that tends in any way to impair the lawful authority of the Launchmaster.

2. RECOGNITION:

(a) The Authority recognizes the Guild as the sole bargaining Agent for all of the Officers employed on Pilot Launches owned and/or operated by the Authority subject to the provisions of the Canada Labour Code.

(b) The Authority shall deduct from the wages due and payable to the Officers monthly membership dues and regular assessments of the Guild as advised by the Guild in writing, upon receipt of the proper authorization to do so, duly signed by the Officer concerned. Initiation fees shall be deducted likewise when requested by the Guild.

(c) All deductions required under Sub-Clause (b) will be forwarded to the Guild, attention of the Secretary-Treasurer, 230 West Broadway, Vancouver, B.C., within sixty (60) days, together with a list, in duplicate, showing the month and the name of the Officers to whom said deductions are to be credited.

(d) Notwithstanding Clause 5 (a) and (b), the existence of this Agreement will not reduce in any way the privileges or pay of any of the Officers as existed prior to the signing of this Agreement, unless mutually agreed to by the Authority and the Guild.

(e) Except to the extent provided herein, this Agreement in no way restricts the authority of those charged with managerial responsibilities of the Authority.

(f) The Authority will, subject to the provisions hereafter set out, employ members of the Guild in good standing for its Marine operation. On request the Guild will advise the Authority the names of its members available for employment. If the Guild is unable to supply a person, suitable to the Authority, within a seven (7) day period, the Authority shall have the right to obtain an Officer elsewhere. If other than a Guild member is employed in any position covered by this Agreement the Authority will advise the Guild.

(g) Any of the Officers not obtained through the Guild, and not members of same, shall, as a condition of employment, make application to the Guild for membership within thirty (30) days after commencing employment with the Authority.

3. WARRANTY OF CONTINUOUS SERVICE:

The Guild, recognizing the necessity of maintaining an uninterrupted operation of Pilot Launches operated by the Authority and undertakes on behalf of the Guild and its members, to maintain and continue operation insofar as the positions of the Officers are concerned on the above mentioned Pilot Launches.

4. STRIKES AND LOCKOUTS:

(a) There shall be no strikes, lockouts, tie-ups, slow downs, or stoppage of work for any cause during the term of this Agreement. It is the intent of the Authority and the Guild that all continuous controversies, regardless of their nature, shall be finally settled amicably and harmoniously under the terms of this Agreement.

(b) The Authority agrees not to discriminate against or employ any discriminating methods against any of the Officers or their representatives or against any of the Officers acting on behalf of the Guild, for their activities on behalf of/or for the membership in the Guild. The Guild on its behalf, and on behalf of its members, agrees not to discriminate against employees of the Authority who are not members of the Guild.

(c) Refusal to pass through or work behind a picket line which has not been found to be illegal, shall not be construed as a violation of this Agreement.

5. **GENERAL RULES AND CONDITIONS:**

(a) **Medical Fitness:** The Authority shall have the right to have their marine personnel medically examined at any time in order to determine their fitness for duty. Any marine employee found medically unfit shall be retired, laid off or given leave without pay at the discretion of the Authority, subject to appeal.

(b) The Authority Staff Rules and Regulations in force from time to time and not inconsistant with this Agreement shall govern working conditions of the Officers. Copies of such Rules and Regulations shall be provided to the Guild.

(c) Pay periods shall be retained in the same manner as the system in use for the Federal Government Ships Officers in the technical category, Public Service of Canada.

(d) The Authority shall provide each of the Officers with a statement of earnings for each pay period, showing the position for which the Officer is being paid, the gross earnings, details of deductions, and quarterly a statement showing the leave accumulated as a result of working additional shifts, sick leave and statutory holiday.

(e) **Pay for Acting Senior Positions:** Any Officer covered by this Agreement who is temporarily officially appointed to carry out the duties incident to a position senior to that which he normally holds, shall be paid at the going rate of such senior position for the time so worked in such position.

(f) **Hours of Duty:** The Authority reserves the right to establish the shifts to provide for the most efficient operation of the Pilot Launches.

Hours of Work: — The Prince Rupert Pilot vessel work day will be a twelve (12) hour day. Overtime will be paid on the basis of all time worked over and above twelve (12) hours actual time that the vessel is away from base; provided that if there is less than four (4) hours between trips that time will be deemed to be time away from base.
The work schedule will be two weeks on duty and two weeks off duty.

(g) **Overtime:**

(i) Overtime at a minimum rate of time and one-half (1½) will be paid for all hours beyond an average of forty (40) hours per week.

(ii) After the first hour of overtime, each further period in one-half (½) hour increments shall entitle the Officer to accrue overtime in one-half (½) hour increments.

(iii) An Officer is entitled to time and one-half (1½) compensation for overtime worked by him on his first day of rest, except that;

(iv) An Officer shall be entitled to double time for overtime worked by him on his second or subsequent day of rest provided the days of rest are consecutive except that;

(v) With respect to any period of consecutive days of rest, an Officer shall be entitled to double time (2) on alternate days on which he works and time and one-half (1½) on other days of rest on which he works.

(vi) When an Officer is required to return to duty, except when immediately following his working shift or to provide relief for another Officer due to sickness (but including Court appearances) he shall be paid a minimum call-out of four (4) hours at the straight time rate.

(vii) When an Officer is required to work in relief of a sick employee, such time worked will be accumulated as compensatory leave.

(viii) All regularly scheduled overtime shall accumulate as leave. The accumulated leave shall be held in reserve to be liquidated in equivalent time off at the direction of the Authority.

(ix) All overtime not regularly scheduled, all overtime earned for relieving a sick employee and all overtime earned for work on a statutory holiday shall accumulate as compensatory leave and may be liquidated in equivalent time off or paid in cash at the direction of the Authority.

(x) Any work which appears to be necessary for the safety of the Pilot Launch or crew shall be performed at any time on immediate call by all Officers and, notwithstanding any provisions of this Agreement which might be construed to the contrary, in no event shall overtime be paid for work in connection with such emergency duties, of which the Launchmaster shall be sole judge.

(h) **Seniority:** The Officers shall acquire seniority and be entitled to exercise seniority rights commencing on the date of engagement of employment with the Ministry of Transport, B.C. Pilotage Authority. This seniority shall be retained and continued during the Pilot Launch operation, under the Authority.

A Seniority List of all the Officers covered by this Agreement showing name, rank or position held, date of employment and the date of appointment shall be prepared immediately following the signing of this Agreement, a copy of which shall be forwarded to the Guild. The Seniority List shall be brought up to date not later than January 31st of each year.

Promotion shall be based on ability, qualifications, experience and seniority; ability, qualifications and experience being sufficient, seniority shall prevail. The Authority shall be the judge, subject to appeal.

For Seniority purposes, the employment date shall govern all benefits as set out in this Agreement, except where it is found necessary to demote an Officer as the result of a reduction in service then, in such use, the date of appointment to Launchmaster shall be the governing factor in such demotion. The last man appointed would be the first to be demoted.

All appointments to Launchmaster will be subject to a six (6) months probationary period during which an Officer may be rejected or reverted to his former position, if his performance is

not judged to be of the standard required for a Pilot LaunchMaster. The Authority shall be the sole judge of the performance.

The above shall not in any way interfere with the Authorities rights to discharge for cause nor shall anything in this Section preclude the adoption by the Authority of a compulsory retirement age for their Officers.

(i) **Statutory Holidays:** The following are the recognized Statutory Holidays for the purpose of this Agreement:

New Years Day	Labour Day
Good Friday	Thanksgiving Day
Easter Monday	Remembrance Day
Victoria Day	Christmas Day
Dominion Day	Boxing Day

One (1) additional day in each year that, in the opinion of the Authority, is recognized to be a Provincial or Civic Holiday in the area in which the Officer is employed or in any area where, in the opinion of the Authority, no such additional day is recognized as a Provincial or Civic Holiday, the first Monday in August.

Officers whose regular day off falls on a Statutory Holiday or who are required to work because of shift work on a Statutory Holiday, shall in addition to his regular pay be compensated at the rate of time and one-half (1½) and such compensation shall accumulate as Compensatory Leave to be liquidated in accordance with paragraph 5 (g) (x).

Where a day that is a designated holiday for an Officer falls within a period of leave with pay, the holiday shall not count as a day of leave.

(j) **Annual Vacation:**

(i) An officer shall earn vacation leave at the following rates for each calendar month for which he receives at least ten (10) days pay.

(a) Five-sixth (5/6) of a day per month if he has completed less than three (3) years of continuous employment;

(b) One and one-quarter (1¼) days per month effective from the month in which he has completed three (3) years of continuous employment;

(c) One and two-thirds (1 2/3) days per month effective from the month in which he has completed fifteen (15) years of continuous employment;

(d) Two and one-twelfths (2-1/12) days per month effective from the month in which he has completed thirty (30) years of continuous employment.

(ii) An officer shall be allowed Annual Vacation for service of thirty (30) days or more during his first calendar year of employment on the basis of four (4) percent of gross wages earned during such calendar year.

(iii) The Authority shall make every reasonable effort to grant and schedule an Officer his vacation leave during the year it is earned. Where in any year an Officer has not been granted all of the vacation leave credited to him the unused portion shall be carried over into the following year only. For the purpose of this paragraph, "year" means April 1st to March 31st. The Authority reserves the right to establish the vacation schedule to the desires of the Officer concerned. The Authority agrees to continue the past practice of granting Vacation Leave on a rotational basis where operational requirements permit.

(iv) Prior to taking leave an Officer shall be advised of the amount of accrued leave remaining to his credit for the year.

(v) When in respect of any period of vacation leave, an Officer is granted sick leave on production of a medical certificate, the period of vacation leave so displaced shall either be added to the vacation period if requested by the Officer and approved by the Authority or reinstated for use at a later date.

(vi) The Authority shall make every reasonable effort to assign available Officers in such a manner that an Officer who is on vacation leave is not recalled to duty.

Where, during any period of vacation leave, an Officer is recalled to duty, he shall be reimbursed for reasonable expenses, as normally defined by the Authority, that he incurs:

(a) in proceeding to his place of duty, and

(b) in returning to the place from which he was recalled if he immediately resumes vacation upon completing the assignment for which he was recalled,

after submitting such accounts as are normally required by the Authority.

(vii) The Officer shall not be considered as being on vacation leave during any period in respect of which he is entitled under clause (vi) to be reimbursed for reasonable expenses incurred by him.

(viii) The Authority agrees that should the vacation leave of the Government Ships' Officers or the Authority's other pilot launch employees be extended beyond that provided in paragraph 5 (j) (i) of this agreement, then such vacation leave in paragraph 5 (j) (i) shall be increased to the same extent.

(k) **Sick Leave:**

1. **Credits** — An Officer shall earn sick leave credits at the rate of one and one-quarter (1-¼) days for each calendar month for which he receives pay for at least ten (10) days.

2. **Granting of Sick Leave** — An Officer is eligible for sick leave with pay when he is unable to perform his duties because of illness or injury provided that:

(a) he satisfies the Employer of this condition in such manner and at such time as may be determined by the Employer, and

(b) he has the necessary sick leave credits.

3. Unless otherwise informed by the Employer, a statement signed by the Officer describing the nature of his illness or injury and stating that because of this illness or injury he was unable to perform his duties shall, when delivered to the Employer, be considered as meeting the requirements of 1 to 2 (a):

(a) if the period of leave requested does not exceed three (3) days, and

(b) if in the current fiscal year, the Officer has not been granted more than seven (7) days' sick leave wholly on the basis of statements signed by him.

4. An Officer is not eligible for sick leave with pay during any period in which he is on leave of absence without pay or under suspension.

5. Where an Officer has insufficient or no credits to cover the granting of sick leave with pay under the provisions of Clause 1-2, sick leave with pay may, at the discretion of the Employer be granted:

(a) for a period of up to twenty-five (25) days if he is awaiting a decision on an application for injury-on-duty leave, or

(b) for a period of up to fifteen (15) days if he has not submitted an application for injury-on-duty leave,

subject to the deduction of such advanced leave from any sick leave credits subsequently earned.

6. When an Officer is granted sick leave with pay and injury-on-duty leave is subsequently approved for the same period, it shall be considered, for the purpose of the record of sick leave credits, that the Officer was not granted sick leave with pay.

7. Where, in respect of any period of accumulated leave or compensatory leave, an officer is granted sick leave on production of a medical certificate, the period of leave so displaced shall be reinstated.

(l) **Special Leave:** The granting of special leave shall be determined as follows:

1. **Marriage Leave** — After the completion of one (1) year's continuous employment with the Authority an Officer who gives the Employer at least five (5) days' notice, shall be granted, subject to operational requirements, special leave with pay for not more than five (5) days, for the purpose of getting married.

2. **Bereavement Leave** — For the purpose of this Clause and Clause 2-4, immediate family is defined as father, mother, brother, sister, spouse, child of the Officer, father-in-law, mother-in-law and relative permanently residing in the Officer's household or with whom the Officer permanently resides.

(a) Where a member of his immediate family dies, and it is practical for an Officer to leave and rejoin the Pilot Launch, he shall be entitled to special leave with pay for a period of up to four (4) days and not extending beyond the day following the funeral, and may, in addition, be granted up to three (3) days' special leave for the purpose of travel.

(b) In special circumstances and at the request of the Officer, bereavement leave may be extended beyond the day of the funeral but the total number of days granted must be consecutive and not greater in number than those provided for above, and must include the day of the funeral.

(c) An Officer is entitled to special leave with pay up to a maximum of one (1) day, if it is practical for him to leave and rejoin the Pilot Launch in the event of the death of the Officer's grandparent, son-in-law, daughter-in-law, brother-in-law, sister-in-law and grandchild.

3. **Leave for Birth of Child** — At the discretion of the Employer, a male Officer may be granted special leave with pay up to a maximum of one (1) day on the occasion of the birth of his son or daughter.

4. **Leave for Other Reasons** — At the discretion of the Employer, special leave with pay may be granted, when circumstances not directly attributable to the Officer including illness in the immediate family, as defined in Clause (1) 2, prevent his reporting for duty.

(m) **Other Leave — Court Leave:** Leave of Absence with pay shall be given to every Officer, other than an Officer on Leave of Absence without pay, or under suspension, who is required:—

(a) to serve on a jury; or

(b) by subpoena or summons to attend as a witness in any proceeding held;

(i) in or under the authority of a Court of Justice or before a Grand Jury,

(ii) before a Court, Judge, Justice, Magistrate or Coroner,

(iii) before the Senate or House of Commons of Canada or a Committee of the Senate or House of Commons otherwise than in the performance of the duties of his position.

(iv) before a Legislative Council, Legislative Assembly or House of Assembly, or any Committee thereof that is authorized by law to compel the attendance of witnesses before it, or

(v) before an arbitrator or umpire or a person or body of persons authorized by law to make an inquiry and to compel the attendance of witnesses before it.

(n) **Supplement:** The Authority will supply for all Pilot Launches in their employ, tea, coffee, sugar and canned milk sufficient for crew in each Pilot Launch.

(o) **Uniforms:** When uniforms are required and issued, the colour, type, quality and insignia will be at the discretion of the Authority. Each of the Officers will then be supplied with:

(i) One (1) Number One Dress Uniform of the standard Merchant Navy type; two (2) white shirts; one (1) black tie, and one (1) Officer's peaked cap.

(ii) One (1) floater coat, and a $25.00 annual boot allowance.

(iii) One (1) pair of white coveralls or one (1) pair of karke pants and one karke shirt at the discretion of the Officer.

All items of clothing shall be replaced as determined by the Authority.

All Officers will be responsible for the upkeep and maintenance of their uniforms and working gear. Uniforms to be kept neat, clean and in good repair, shoes cleaned and shined, and to appear well turned out at all times. Uniforms as provided shall be worn on the job.

(p) **Temporary, Casual or Part Time Employees:**
Notwithstanding Paragraph 2 (f), but subject to Paragraph 2 (g), the Authority shall have the right to employ other than Guild members for temporary, casual or relief services as and when required. They shall be paid the applicable Collective Agreement rate if he is employed to perform the duties of an Officer.

(q) **Bulletin Board Space:**
The Authority agrees that the Guild shall be allowed the use of a Notice Board for the posting of Official Guild Notices.

6. MARINE DISASTER AND MISHAP:

Where an Officer suffers loss of clothing or personal effects because of a Marine Disaster or Shipwreck, he shall be reimbursed for the loss, up to a maximum of Eight Hundred Dollars ($800.00).

An Officer or his Estate making a claim under this Article shall submit to the Authority reasonable proof of such loss, and shall submit a signed affidavit listing the individual items and values claimed.

In the event of a Marine Disaster or Shipwreck the Authority will endeavour to arrange a transfer to another suitable position for an Officer who would otherwise be laid off.

The employee shall provide the Authority with a list of all personal effects aboard the Pilot Launch on the signing of this Agreement.

7. WAGES:

(Item 7—which makes only brief reference to the subject matter of Schedule A—is shown just as it appeared in the original report submitted to the Minister. There was no item 8 shown.)

9. GRIEVANCE PROCEDURE:

Disputes and appeals arising from the application of this Agreement or from suspensions, dismissals and/or demotions, which cannot be settled directly by meetings between the Authority's officer and the Guild.

(a) The dispute shall be taken up with the Operations Supervisor within seven (7) days.

(b) If settlement is not reached within seven (7) days, thereafter a statement in writing of the alleged Grievance shall be submitted to the Superintendant of Operations.

(c) If settlement is not reached within seven (7) days the Grievance in writing shall be resubmitted to the Chairman of the Authority.

(d) If settlement is not reached within twenty-one (21) days after lodging the written statement with the Chairman of the Authority either party may institute the Arbitration procedure.

(e) The time limits in this procedure may be varied by mutual agreement.

10. ARBITRATION PROCEDURE:

(a) The party desiring to arbitrate under this procedure shall notify the other party in writing of this intention and the particulars of the Grievance.

(b) The party receiving such Notice shall within five (5) days thereafter confirm receipt in writing.

(c) The parties shall then confer immediately upon receipt of Notice from opposite party, and shall within five (5) days, choose a single arbitrator. If the parties are unable to agree on an arbitrator, within five (5) days, either party may ask the Minister of Labour of Canada to appoint the Arbitrator sending the Minister a copy of this Grievance and Arbitration Procedure and the other party a copy of the request.

(d) If desired by either party and subject to written Notice being given at the time of giving Notice of Intention to arbitrate under Clause (a) hereof, the Authority and the Guild shall each select a person active in the Industry to advise and assist the Arbitrator jointly, but not individually, at his discretion. Those advisors shall take no part in the hearing except for technical advice, or participate in the making or publishing of the Award of the Arbitrator. The Arbitrator may accept or reject the advice of the advisors but his Award shall not refer to the advisors or their advice.

(e) The Arbitrator may not alter the terms of this Agreement or insert new provisions or give any decision inconsistent with the terms of this Agreement. But he shall have the right to rule on reinstatement and order the payment of lost wages.

(f) The time limits in this procedure may be varied by mutual agreement.

(g) The Arbitrator shall sit, hear the parties, settle the terms of the question or questions to be arbitrated if the parties are unable to agree thereon, and make his Award within ten (10) days from the date of his appointment, providing the time may be extended by mutual consent of the parties. The Arbitrator shall deliver his Award in writing to each party concerned and his Award shall be final and binding on both parties and they shall carry it out forthwith.

(h) Each party shall pay its own expenses and costs of arbitration and one-half the compensation and expenses of the Arbitrator and of stenographic and other expenses of the Arbitrator.

11. **TRAVELLING EXPENSES:**

In the event that an Officer is required to join a Pilot Launch at any port other than a Home Port, or where he is requested to join a Pilot Launch at a distant point, travel expenses shall be paid in accordance with the Authority's Travel Expense Directive(s).

12. **LEAVE OF ABSENCE WITHOUT PAY:**

Upon reasonable notice where operational requirements permit, and suitable relief Officers are available, an Officer shall be granted, at the discretion of the Authority, a Leave of Absence Without Pay as outlined hereunder:

(a) For injury or illness, for the time required, subject to a medical certificate, if required in excess of Sick Leave by the Authority.

(b) For compassionate or educational grounds, for up to six (6) months.

(c) For Union business:—

(i) For Officers appointed or elected to Office up to three (3) years with extensions by mutual consent. During periods of Leave of Absence under this Section, Authority benefits, such as, but not confined to, Pension, Medical and Sick Leave, shall terminate at the Leave of Absence commencement date and shall be reinstated on the effective date of the Officer's rejoining the Authority.

(ii) For Officers appointed or elected as delegates to meetings, conventions or committees, for the time required.

(iii) At the discretion of the Authority, Leave of Absence Without Pay may be granted for any other reason.

(d) Seniority on Leave of Absence to accumulate for one (1) year then remain static.

13. **SEVERANCE PAY:**

Lay-Off — An Officer who has one (1) year or more of continuous employment and who is laid off is entitled to be paid severance pay at the time of lay-off.

(a) In the case of an Officer who is laid off for the first time following the signing of this Agreement, the amount of severance pay shall be two (2) weeks' pay for the first and one week's pay for each succeeding complete year continuous employment less any period in respect of which he was granted severance pay, retiring leave or a cash gratuity in lieu thereof by the Authority, but the total amount of severance pay which may be paid under this Clause shall not exceed twenty-eight (28) week's pay.

(b) In the case of an Officer who is laid off for a second or subsequent time following the signing of this Agreement, the amount of severance pay shall be one week's pay for each completed year of continuous employment less any period in respect of which he was granted severance pay, retiring leave or a cash gratuity in lieu thereof by the Authority, but the total amount of severance pay which may be paid under this Clause shall not exceed twenty-seven (27) weeks' pay.

(c) **Resignation** — Subject to Clause (d), an Officer who has ten (10) or more years of continuous employment is entitled to be paid on resignation from the Authority severance pay equal to the amount obtained by multiplying half of his weekly rate of pay on resignation by the number of completed years of his continuous employment to a maximum of twenty-six (26) weeks less any period in respect of which he was granted severance pay, retiring leave or a cash gratuity in lieu of retiring leave by the Authority.

(d) **Retirement** — On termination of employment, an Officer who is entitled to an immediate annuity under the Public Service Superannuation Act shall be paid severance pay equal to the product obtained by multiplying his weekly rate of pay on termination of employment by the number of completed years of his continuous employment to a maximum of twenty-eight (28), less any period in respect of which he was granted severance pay, retiring leave or a cash gratuity in lieu of retiring leave by the Employer.

(e) If an Officer dies, there shall paid to his Estate an amount determined in accordance with Clause (d) regardless of any other benefits payable.

14. **SUBSISTENCE:**

An Officer will receive Fifty Dollars ($50.00) in lieu of meals and quarters for each calendar month in which he has worked at least ten (10) days.

15. **INTERPRETATION:**

Any clarification which is mutually agreeable to the parties hereto may be made and incorporated as an Addendum to this Agreement at any time during the life of this Agreement. Any such clarification shall be in writing and signed by the parties hereto.

16. **JOINT CONSULTATION:**

The parties acknowledge the mutual benefits to be derived from joint consultation and are prepared to enter into discussions aimed at the development and introduction of appropriate machinery for the purpose of providing joint consultation on matters of common interest.

17. **EDUCATION and UPGRADING:**

When the Authority requires an Officer to take an educational course or upgrade his qualifications, then the Authority will undertake to pay the cost incurred for all expenses connected therewith, the exception would be requirements made compulsory through legislation.

8. **LEGAL DEFENCE INSURANCE:**

The Authority will pay an amount equalling One Dollar and twenty-five cents ($1.25) per month, per Officer, in their employ, to the Guild for Legal Defence Insurance coverage. The Guild will continue to provide sufficient Insurance to satisfy the requirements of said Officers.

9. **TERMINATION:**

PACIFIC PILOTAGE AUTHORITY

605 - 1200 West Pender Street
Vancouver, British Columbia V6E 2T9
Telephone (604) 666-6771
Telex 04-53357

ADMINISTRATION DE PILOTAGE DU PACIFIQUE

LETTER OF UNDERSTANDING

(To be attached to and form part of the Agreement, dated and signed the_____ day of _____1974)

The parties hereto agree that in the application of clause (g) of paragraph 5, subject to the following condition, shall be:

"An officer performing overtime work which ceases before the expiration of one-quarter (1/4) hour shall be credited with one-half (1/2) hour overtime and if the overtime work exceeds one-quarter (1/4) hour shall be credited with one (1) hour overtime".

The condition is:

(1) This change shall be effective July 1, 1974, provided that the same provision shall be inserted into the next Pacific Pilotage Employees' Union Agreement and if it is not inserted in the Pacific Pilotage Employees' Union Agreement then this understanding shall terminate and retroactive compensation will be paid to the Guild Members for the period commencing July 1, 1974.

Signed on behalf of the
PACIFIC PILOTAGE AUTHORITY

_____

_____

Signed on behalf of the
CANADIAN MERCHANT SERVICE GUILD

_____

_____

PACIFIC PILOTAGE AUTHORITY

605 - 1200 West Pender Street
Vancouver, British Columbia V6E 2T9
Telephone (604) 666-6771
Telex 04-53357

ADMINISTRATION DE PILOTAGE DU PACIFIQUE

LETTER OF UNDERSTANDING

(To be attached to and form part of the Agreement, dated and signed the_____ of _____1974)

HOURS OF DUTY – STEVESTON

Operational requirements permitting hours of work at Steveston may be designated so that Officers may work twenty-four (24) hours on a scheduled watch and enjoy seventy-two (72) consecutive hours off duty following their watch period. The scheduled watch will commence at a specific hour each day and will terminate twenty-four (24) hours later on the following day.

SIGNED ON BEHALF OF
PACIFIC PILOTAGE AUTHORITY

_____

_____

SIGNED ON BEHALF OF
CANADIAN MERCHANT SERVICE GUILD

_____

_____

PACIFIC PILOTAGE AUTHORITY

605 - 1200 West Pender Street
Vancouver, British Columbia V6E 2T9
Telephone (604) 666-6771
Telex 04-53357

ADMINISTRATION DE PILOTAGE DU PACIFIQUE

LETTER OF UNDERSTANDING

(To be attached to and form part of the Agreement,
dated and signed the_____day of_____1974)

The Term Launch Engineer for the purpose of this Agreement refers to the three (3) Engineers presently employed by the Authority. For the purpose of clarification, these four engineers are named as follows:—

S. COSH
H. M. PIERCE
J. A. MACKENZIE

The Authority will not cause these positions to become redundant except by reasons of retirement or discharge for cause during the term of this Agreement; the Authority however may exercise its managerial right to transfer any of the above named Launch Engineers.

It shall be understood, that so long as Engineers are employed, then Master and/or Mates shall not be required to perform Engine maintenance, other than routine operational checks. In the absence of an Engineer, unlicensed personnel shall not be instructed to perform Engine maintenance as normally performed by an Engineer. Both parties agree to open the existing Agreement in the event Engineers are not replaced and to negotiate a SERVICING DUTIES clause for the particular station and Pilot Vessel.

Signed on behalf of the
PACIFIC PILOTAGE AUTHORITY

_____

_____

Signed on behalf of the
CANADIAN MERCHANT SERVICE GUILD

_____

_____

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